

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 2006)

Docket No. R2006-1

VALPAK DIRECT MARKETING SYSTEMS, INC. AND
VALPAK DEALERS' ASSOCIATION, INC.
SEVENTH INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS TO UNITED STATES POSTAL SERVICE
WITNESS JOHN P. KELLEY (VP/USPS-T30-28-30)
(July 11, 2006)

Pursuant to sections 25 and 26 of the Postal Rate Commission rules of practice, Valpak Direct Marketing Systems, Inc. and Valpak Dealers' Association, Inc. hereby submit interrogatories and document production requests. If necessary, please redirect any interrogatory and/or request to a more appropriate Postal Service witness.

Respectfully submitted,

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VP/USPS-T30-28.

Please refer to the responses of witness Czigler (USPS-T-1) to VP/USPS-T11-1 and 3. According to the response to VP/USPS-T11-1, IOCS tallies do not distinguish whether city carriers are casing or collating flats. According to witness Coombs, USPS-T-44 (p. 13, ll. 15-19), when city carriers have two sets of saturation flats to deliver, they sometimes will collate the flats rather than case them, because collating is more efficient.

- a. When you use IOCS tallies to estimate city carrier hours spent casing, and from the hours spent casing you estimate the volume “cased,” what assumptions do you make with regard to:
 - (i) the time spent collating and the volume that is collated (as opposed to cased); and
 - (ii) the rate at which flats are collated?
- b. Since collated saturation flats are taken directly to the street as “sequenced” mail, while those flats actually cased are taken to the street as “cased mail,” what assumptions do you make when using IOCS tallies for flats to estimate:
 - (i) the total volume of flats taken to the street as sequenced mail; and
 - (ii) the volume of collated flats taken to the street as sequenced mail?

VP/USPS-T30-29.

- a. What is the unit cost for delivery of Standard letters to a post office box? If the unit costs for Standard Regular letters and Standard ECR letters differ, please provide each separately.

- b. What is the unit cost for delivery of Standard flats to a post office box? If the unit costs for Standard Regular flats, Standard ECR non-saturation flats, and Standard ECR saturation flats differ, please provide each separately.

VP/USPS-T30-30.

- a. What is the unit cost for delivery of Standard letters by highway contract carriers? If the unit costs for Standard Regular and Standard ECR letters differ, please provide each separately.
- b. What is the unit cost for delivery of Standard flats by highway contract carriers? If the unit costs for Standard Regular flats, Standard ECR non-saturation flats, and Standard ECR saturation flats differ, please provide each separately.
- c. What is the volume variability of the cost of delivery via highway contract carriers?