

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

POSTAL RATE AND FEE CHANGES, 2006:

Docket No. R2006-1

**INTERROGATORIES DIRECTED BY THE MCGRAW-HILL COMPANIES, INC.
TO UNITED STATES POSTAL SERVICE WITNESS McCRERY
MH/USPS-T42-1-5**

Pursuant to Rules 25, 26 and 27 of the Rules of Practice, The McGraw-Hill Companies, Inc. directs the following interrogatories and other discovery requests to United States Postal Service witness Marc D. McCrery (USPS-T-42). To the extent that the witness is unable to provide a full response, please provide a response by the witness best able to respond or by the Postal Service as an institution. If the information requested is not available in the precise format or level of detail requested, please provide responsive information in such format and level of detail as is available. In the event that the Postal Service would otherwise object to any of these discovery requests, please first contact the undersigned counsel to discuss whether the objection may be resolved informally.

Respectfully submitted,

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MH/USPS-T42-1. Please refer to *Postal Bulletin* 22156 (6-9-05), pages 17 and 23, which announced revisions to the Domestic Mail Manual, including part 707.28.4.6 (entry of Periodicals mail at the destination delivery unit), and explained those revisions in part as follows:

The Postal Service is finding ways to make it easier for customers to enter mail. One way is by offering optional entry of unsacked bundles for specified flat-size mail. This will help reduce dependency on sacks and also help us increase efficiency and reduce costs. . . .

When entering mail at DDU facilities, mailers (or their drivers) must unload the mail within 1 hour of arrival and place the mail into containers that entry facility employees specify. DDU facility employees may also require drivers to keep bundles separated by individual 5-digit ZIP Codes or by 5-digit schemes.

Please explain fully whether it may be practicable and valuable to the Postal Service to extend this policy to other (non-DDU) facilities, including (but not limited to) other entry facilities relying significantly on manual bundle sorting operations, assuming that mailers unload the bundles, separate them as specified by Postal Service employees at the facility and place them into rolling containers specified by such employees. If you answer in the affirmative, please specify the applicable types of facilities.

MH/USPS-T42-2.

(a) Please confirm that under part 705.8.5.6 (and other parts) of the Domestic Mail Manual, sacks of Periodicals (and other) mail may be entered on pallets. If you do not confirm, please explain fully.

(b) Please explain whether in some circumstances, entering Periodicals mail in sacks on pallets, as opposed entering unpalletized sacks, or unsacked bundles on pallets, may save costs or otherwise have value to the Postal Service. If you answer in the affirmative, please provide examples and explain how, in those circumstances, entering Periodicals mail in sacks on pallets may save costs or otherwise have value to the Postal Service.

MH/USPS-T42-3. Please refer to USPS-LR-L-158, Standard Operating Procedures for Periodicals Processing, at page 3. The second paragraph discusses a new requirement (effective July 6, 2006) that Periodicals mailers separate out origin mixed ADC flats from other mixed ADC flats – “[s]plitting the pieces into two separate bundles and the bundles into two separate sacks” – so that origin mixed ADC flats (having destinations closer to the entry office than other mixed ADC flats) can be sent to facilities designated in labeling list L201 for processing with First-Class mail receiving surface transportation,

while other mixed mail sacks are sent to more distant facilities. (See also *Postal Bulletin* 22166 [10-27-05] at page 6). Please provide your best estimate of the extent to which this new rule may increase the number of sacks of Periodicals mail entered in TY 2008, and explain the basis for your estimate.

MH/USPS-T42-4. Please refer to USPS-LR-L-158, Standard Operating Procedures for Periodicals Processing, at page 11, which states in the final paragraph: “Red Tag News Publications is a nonprofit association of consumer and business magazines who have a common interest in improving the delivery of their publications through the Postal Service. Red Tag has developed a network of individuals around the country who receive free magazine subscriptions in return for reporting (by phone or the internet) the day the magazines arrive. Red tag monitors nearly 838 million copies delivered to over 20 million readers. Red Tag Delivery Reports can be found at <http://www.redtag.org/redtag/usps/init.asp>.” Please confirm that according to the Red Tag Delivery Reports for the past 12 months, the 53 weekly publications sampled were delivered late 44.4% of the time on average, and were delivered four or more days late 11.4% of the time on average. If you do not confirm, please explain fully and show your calculations.

MH/USPS-T42-5. Please refer to your response to Presiding Officer’s Information Request No. 5, Question 1.a-d. Please provide a similar description of the flow of the following categories of Outside-County Periodicals mail through the Postal Service from nondestination entry through delivery:

- (a) Basic flats
- (b) 3-Digit flats
- (c) 5-Digit flats
- (d) Carrier Route flats