

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS McCRERY
TO INTERROGATORIES OF THE ASSOCIATION FOR POSTAL COMMERCE AND
THE MAILING AND FULFILLMENT SERVICE ASSOCIATION.
(POSTCOM/USPS-T42-1-9)
(July 31, 2006)

The United States Postal Service hereby provides the responses of witness
McCrery to the above-listed interrogatories of POSTCOM, filed on July 14, 2006.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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POSTCOM/USPS-T42-1. Please confirm that the Postal Service does not propose any changes in the definition of letters eligible for Standard Mail automation letter rates, as set forth in Section 201.3.0 of the Domestic Mail Manual (“DMM”). If you are unable to confirm, please set forth in detail the reasons for your answer.

Response:

Confirmed.

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POSTCOM/USPS-T42-2. Please list the equipment that the Postal Service uses to process Standard Mail automation letters.

Response:

DBCSs, DBCS-ECs, MPBCSs, CSBCSs, Manual cases.

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POSTCOM/USPS-T42-3. Please provide copies of any tests or studies the Postal Service has performed since June, 2002 to measure the effects, if any, of the weight of automation compatible letters on the operation and performance of the Postal Service's letter automation equipment, including the equipment listed in response to POSTCOM/USPS-T42-3.

Response:

No studies have been performed since June 2002 to measure the effects the weight of automation letters on the operation and performance of letter automation equipment.

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POSTCOM/USPS-T42-4. In your testimony (at p. 6 *et seq.*) you describe various upgrades and retrofitting of DBCS and related equipment intended to allow the machines to process letters with a wider range of mail characteristics.

a. Please identify the full range of mail characteristics that can be processed on the following equipment, including but not limited to the range in weight of letters.

- i. DBCS
- ii. DBCS-EC
- iii. DIOSS
- iv. DIOSS-EC

b. Please identify the full range of mail characteristics (including but not limited to the full range in weight of letters) that can be processed on the equipment listed in response to POSTCOM/USPS-T42-3.

c. Please provide copies of any and all studies, tests, documents and information in the Postal Service's possession that support your response to parts "a" and "b" of this question.

Response:

a. See response to ADVO/USPS-T42-10.

b. See response to ADVO/USPS-T42-10.

c. See "MLR DIOSS Mail Specification", and sections 1.1.1 and 1.1.2 of

"Machinable Mail", attached. These are the current capabilities of these

machines and the documents able to be located in response to this request.

MLR DIOSS Mail Specification

Summary

The intent of this document is to establish a specification for a spectrum of mail that is to be processed by the MLR DIOSS (Multi-Line Replacement) machine. This specification is to be used as a reference for the design team while working to complete the final design for the MLR DIOSS D and DIOSS C machines. The intent of the mail specification is to broaden the capability of the machine so as to include a generous amount of mail that is currently considered manual mail.

Dimensions

Shape and Size

Each letter-size piece must be rectangular and:

- a) For height, no more than 6 ½ or less than 3 ½ inches high.
- b) For length, no more than 11 ½ or less than 5 inches long.
- c) For thickness, no more than ½ inch or less than
 - (1) 0.007 inch thick if no more than 4 ¼ inches high and 6 inches long; or
 - (2) 0.009 inch thick if more than 4 ¼ inches high or 6 inches long, or both

Aspect Ratio

The aspect ratio (length of the mailpiece divided by height) must be between 1.3 and 2.5 inclusive. See Figure 1 below.

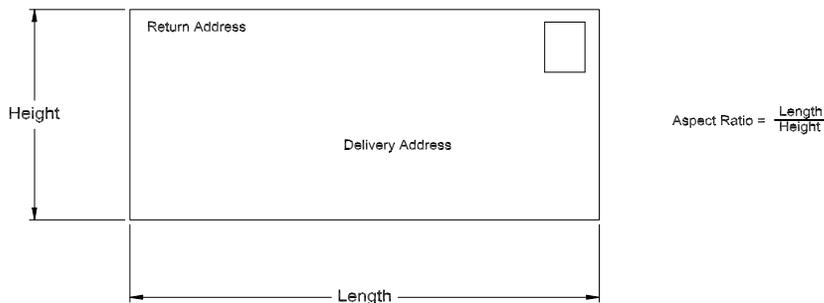


Figure 1 – Mailpiece Aspect Ratio

Maximum Weight

The machine shall be capable of feeding, reading, transporting, and stacking mail with a maximum weight of 6 ounces. The mailpiece weight shall be evenly distributed throughout the overall volume of the mailpiece so as to exclude mailpieces with bulky items contained within an envelope located at one end or top or bottom of the mailpiece. (e.g., pens, or keys).

General Prohibitions and Restrictions

Wraps and Closures

An automation-compatible mailpiece may not be polywrapped, polybagged, or shrinkwrapped; have clasps, springs, buttons, or similar closure devices; or have protrusions that might impede or damage the mail processing equipment.

Staples and Saddle Stitching

Staples or saddle stitching may be used only on booklet-type mailpieces to join the bound edge (spine). Inserted staples or stitching must parallel the bound edge, seated tightly and securely, and have no protrusions that might impede or damage the mail processing equipment.

Rigid and Odd Shaped Items

Rigid items (e.g., pens, pencils, keys) are prohibited within mailpieces. Reasonably flexible items (e.g. credit cards) are permitted.

Tabs, Wafer Seals, Tape, and Glue

Tabs, wafer seals, cellophane tape, or permanent glue (continuous or spot) may be used as applicable to the particular type of mailpiece if the sealing devices do not interfere with the recognition of the barcode, rate marking, postage information, or delivery or return addresses. In all cases, additional tabs or seals may be used. Cellophane tape is not acceptable within the barcode clear zone. (The barcode clear zone is an area 5/8" high by 4 3/4" wide in the lower right corner of the envelope. This area is defined in Publication 25, Designing Letter Mail, and the Domestic Mail Manual.)

Flexibility

Machinability

To ensure transport through automated mail processing machines, a mailpiece and its contents must bend easily when subjected to a transport belt tension of 20 pounds around a 15 ½ inch diameter drum.

Turning Ability and Deflection

The piece must meet the following standards for turning ability and deflection:

- a) Turning Ability. The mailpiece must fit between two concentric arcs drawn on a horizontal flat surface, one with a diameter of 15 ½ inches and the other with a diameter of 16 ¾ inches, in one of the following ways:
 - a. The piece must be flexible enough to bend between the two arcs when positioned vertically, with the bound, folded, or final folded edge perpendicular to the surface where the arcs are drawn.
 - b. If rigid, the piece must be small enough to allow its longest edge to be placed between the two arcs without touching the lines of the arcs.
- b) Deflection. A mailpiece meeting the MLR DIOSS-EC dimensions must be rigid enough so that, when placed flat on a surface to extend unsupported 5 inches off that surface, no part of the edge of the piece that is opposite the bound, folded, or final folded edge deflects more than 1 ¾ (if the piece is less than 1/8 inch thick) or more than 2 3/8 inches (if the piece is from 1/8 to ½ inch thick).
- c) Test Device. Testing for compliance with the above standards must be done with a MLR DIOSS-EC Machinability tester as shown in the illustration below.

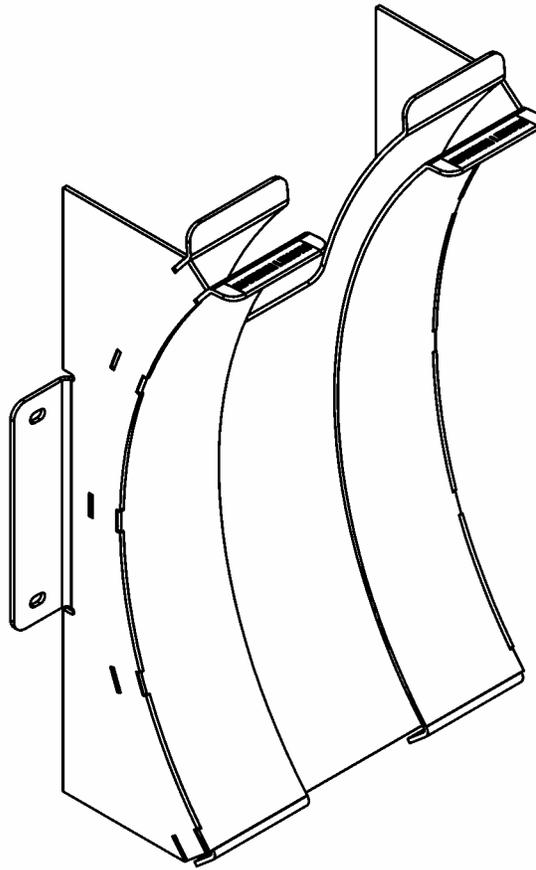


Figure 2 – MLR DIOSS Mail testability fixture

Using the above fixture, an operator can test the rigidity, flexibility, and overall size and thickness of any mailpiece by positioning the mailpiece on the flat surface with the top of the mailpiece toward the vertical wall and aligning the left edge with the vertical line on the left side of the vertical wall. Mailpiece thickness is measured with the gauge in the vertical wall. Overall size limitations are marked on the flat surface. Deflection measurements can be derived from the markings on the vertical wall. Mailpiece rigidity can be measured by passing the mailpiece through the radiused channel on the right side of the fixture.

Additional Standards for Specific Types of Pieces

Envelope or Piece Sealed on All Sides

An envelope or any mailpiece formed by an outer sheet or sheets sealed on all four edges must be prepared from paper with a minimum basis weight of 16 pounds.

Folded Self-Mailer

A folded self-mailer must be prepared with the folded edge parallel to the longest dimension and the address of the mailpiece. Based on the number of tabs used, these additional standards apply:

- a) With one tab or wafer seal, the folded edge must be at the bottom of the self-mailer. The tab or wafer seal must be placed in the middle of the top edge of the piece. If formed of a single folded sheet, the self-mailer must be prepared from paper with a minimum basis weight of 28 pounds. If formed of multiple folded sheets, the self-mailer must be prepared from paper with a minimum basis weight of 24 pounds.
- b) With two tabs or wafer seals, the folded edge may be at the top or bottom of the self-mailer. The two tabs or wafer seals must be placed on the open edge, opposite the folded edge. One tab or wafer seal must be placed within 1 inch of the left edge of the piece; the other, within 1 inch of the right edge of the piece. The whole tab need not be placed within 1 inch of the edge. The tabs must not obscure the FIM, postage, or required address information. The folded self-mailer must be prepared from paper with a minimum basis weight of 20 pounds.
- c) In specifically identified formats, a self-mailer may have the final fold on the right side (leading edge) of the piece. The left edge (trailing edge) and other open edges must be secured with at least one tab or a glue line. The number of tabs required is determined by the final trim size and paper basis weight of the piece. If the piece is 7 inches long or more, the piece must be sealed on the top and bottom. In all cases, additional tabs, seals, glue spots or glue lines may be used.

Booklet-Type Piece

A booklet-type piece must meet these standards:

- a) The front and back covers must be prepared from paper with a minimum basis weight of 20 pounds.

- b) The bound edge (spine) must be the longest edge of the piece and at the bottom, parallel to the address.
- c) The unbound edge (top) must be secured with at least two tabs or wafer seals. One tab or wafer seal must be placed within 1 inch of the left edge of the piece; the second tab or seal, within 1 inch of the right edge of the piece. As an alternative, one tab or wafer seal must be placed within 1 inch from the top left side (trailing edge) of the piece; the second tab or seal, within 1 inch from the top right side (leading edge) of the piece. See Figure 3 (below).

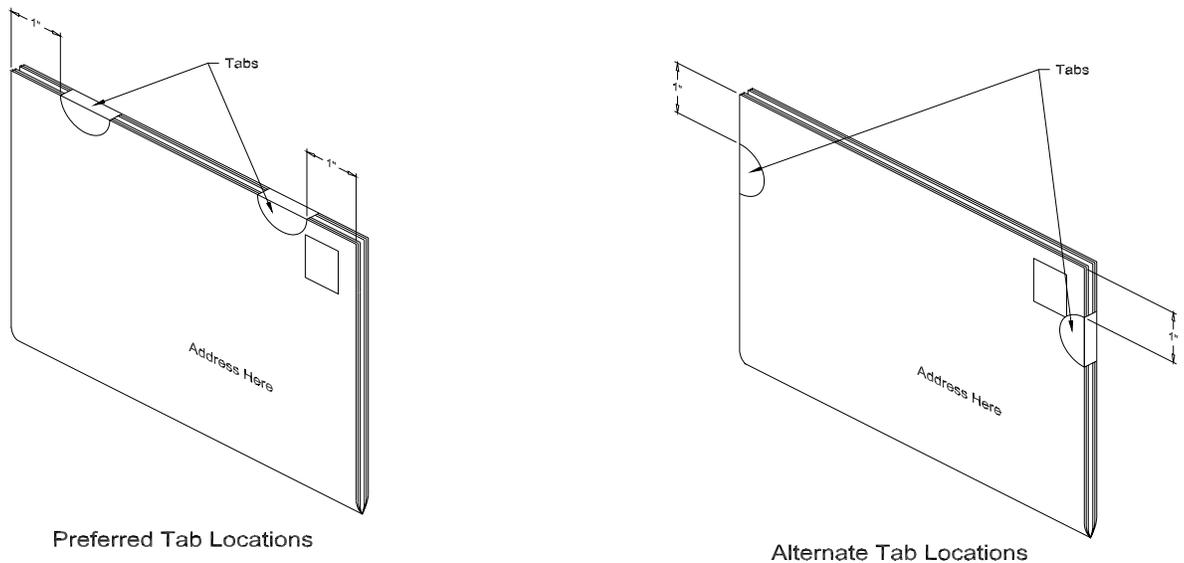


Figure 3 – Tab or Wafer Seal Locations

- d) In specifically identified formats, prepared with a minimum paper basis weight of 24 pound bond paper, the spine may be on the shorter side (leading edge) of the piece. The address must still be parallel to the longest side of the piece. The unbound edges must be secured with at least two tabs or wafer seals. If the outside covers are prepared with a minimum paper basis weight of 20-pound bond or equivalent, the spine may be on the right side (leading edge) of the piece. The address must still be parallel to the longest side of the piece. The following restrictions apply:
 - a. If the final trim size of the piece is no more than 4 ¼ inches high and no more than 6 inches long, the unbound

- left edges must be secured with at least one tab or wafer seal placed at the vertical center of the piece.
- b. If the final trim size of the piece is more than 4 ¼ inches high or more than 6 inches long, the unbound left edge must be secured with two tabs or wafer seals placed within 1 inch of the top and bottom edges.

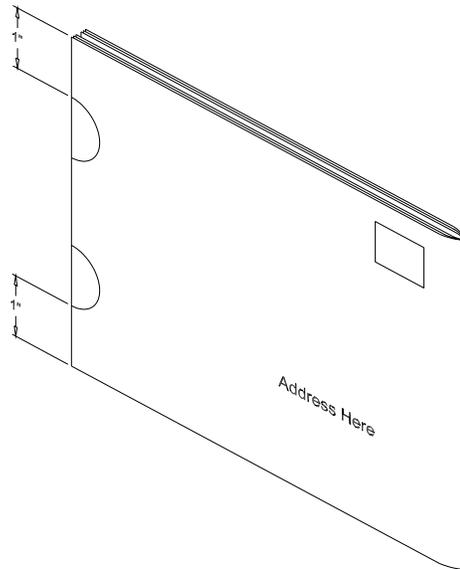


Figure 4 – Alternate Booklet Orientation

Postcards

Any postcard must be prepared from paper stock meeting the industry standard for a basis weight of 75 pounds or greater, with none less than 71 ¼ pounds. The stock must be free from groundwood unless coated with a substance adding to the stock's ability to resist an applied bending force. A double postcard not prepared with all edges sealed must have the folded edge at the top or bottom, and the open edge parallel to the address must be secured with one tab in the middle of the length.

Heavy Letter Mail

Heavy letter mail must have a barcode in the address block and must be prepared in a sealed envelope. Heavy letter mail may neither contain stiff enclosures nor be prepared as a self-mailer or booklet-type mailpiece.

Definitions

Basis Weight

The basis weight of a paper is the designated fixed weight of 500 sheets, measured in pounds, in that paper's basic sheet size. It is important to note that the "basic sheet size" is not the same for all types of paper.

Caliper

Caliper refers to the thickness of a sheet of paper expressed in thousandth of an inch. This measurement is taken with a micrometer. Normally, paper caliper should not have more than a + or – 5% variance within a sheet. Generally, the relation between caliper and basis weight ... the greater the caliper (the thicker the paper), the greater the paper weight.

Equivalent Weight

While different paper types have different basic sizes, papers can still be compared by using equivalent weight.

Basic Weight ("Category") Table

Type Paper	Basic Size - 500 Sheets
"Bond" Ledger Mimeo Duplicator Rag Paper	17" x 22"
"Offset" Book Text Coated Paper	25" x 38"
"Cover"	20" x 26"
"Tag Stock"	24" x 36"
"Index"	25-1/2" x 30-1/2"

1.1 Machinable Mail

The WFOV shall, as a minimum, read and process mail pieces, which meet the requirements of USPS Publication 25 A Guide to Business Mail Preparation. This is not to be construed as limiting the readability requirements to only mail which complies with Publication 25. The specifications which additionally address readability are located in USPS-P-1110, POSTNET Specification. However for testing purposes, If the bar code can be read and understood by a human the DBCS machine shall be able to read the bar code and sort the mail piece to an accept stacker.

1.1.1 Normal DBCS/First Class Mail:

The DIOSS EC shall process mail with the following physical characteristics:

Size (inches)	Minimum	Maximum
Length	5.0"	11.5"
Height	3.5"	6.125"
Thickness	.007"	.312"
Weight	-	3 oz.

1.1.2 Manual Mail:

Manual Mail: A mail piece that falls outside the DMM description of automation mail or any mail piece or pieces that are residing in the manual mail area of a processing center.

The DIOSS EC shall process manual mail with the following physical characteristics:

Size (inches)	Minimum	Maximum
Length	5.0"	11.5"
Height	3.5"	6.50"
Thickness	.007"	.500"
Weight	-	6 oz.

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POSTCOM/USPS-T42-5. At p. 15 of your testimony, you indicate that incremental software releases, new secondary address readers, and new cameras are expected to be deployed to enhance the UFSM1000s over the next several years.

a. Please confirm that the Postal Service does not plan to take the UFSM1000s out of service before or during the test year. If you cannot confirm, please explain.

b. Will mailpieces meeting the current definition of UFSM1000 flats will continue to be processed on the UFSM1000 during the test year?

Response:

a. Confirmed. See USPS-T-42, page 19, lines 9 - 18.

b. Yes, but likely only to the extent they are being processed on the UFSM 1000 today.

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POSTCOM/USPS-T42-6. Please refer to your response to P.O.I.R. No. 5, question 1(e) – (l) where you state that the flows for the specified types of hybrid flats and hybrid parcels “cannot be mapped out until the preparation is finalized.”

a. Please explain in detail the assumptions that you made concerning the flows of these types of mail in the development of your testimony.

b. Please confirm that until the flows have been finalized, it is not possible to determine what percentage of hybrid parcels and hybrid flats will be processed manually, what percentage will be processed on Postal Service sorting equipment, and what category of mail sorting equipment will be used for these purposes. If you do not confirm, please explain your answer in detail.

Response:

a. I have not made any assumptions concerning the flows of hybrid flats and parcels in the development of my testimony.

b. As I explained in my testimony (USPS-T-42, pages 19 and 20), hybrid pieces are problematic in both processing and delivery. They are a small part of the mailstream that cause a disproportionate number of problems and are handled locally as circumstances and experience dictate. Due to the wide local variations, I believe that the best guide currently available to how they will be handled is how they are handled now, which, I understand, is depicted in the cost models of USPS-LR-L-45. When hybrid pieces are identified and tracked through IOCS, we will have a reliable guide to their cost.

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POSTCOM/USPS-T42-7. Please confirm that all flat-shaped mailpieces that are currently prepared as eligible for automation rates would also be eligible for automation rates in TY2008. If you cannot confirm, please explain in detail.

Response:

Not confirmed. It is my understanding that hybrid pieces, mostly rigid items, will no longer qualify for automation flat rates.

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POSTCOM/USPS-T42-8. Please indicate whether the Postal Service expects to impose flats address placement requirements in the next eighteen months that will restrict eligibility of flats that do not meet these address placement requirements for automation flats rates. If so,
a. Please describe the operational circumstances that precipitate any anticipated address placement requirements (e.g., please describe any limitations of FSS equipment, or labor-related efficiencies gained)
b. When are proposed requirements expected to be published?
c. When are final requirements expected to be implemented?

Response:

I believe the Postal Service may impose address placement requirements for flats if and when the FSS program is approved.

a. The address placement requirements are not a result of limitations of the FSS equipment, which requires only a uniform orientation of the spines on each flat mail piece. The operational efficiencies will be gained in carrier time on the street while delivering the mail. Today, when carriers sort flats in delivery sequence, they develop an idea of how many flats may be delivered per address (i.e. three for the first house, none for the next two houses, one for the fourth, etc.). Because carriers will no longer be sorting the flats, carriers will need to more closely examine each flat to ensure proper delivery. In addition, when carriers manually sort flats, they can orient the pieces in relation to the address as they choose (all reading right side up, all towards the top, etc.), to facilitate the delivery process. With FSS distributing flat mail pieces in an automated environment, the carriers will no longer have the option on orientation, since the FSS flats will be taken directly to the street. By requiring uniform placement of

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the address, the time the carrier must spend manipulating the flats and/or verifying the appropriate delivery address is lessened, since placement requirements could result in addresses on pieces in FSS trays reading right side up and towards the top, regardless of the method of delivery (i.e. cradled in the arm or removed from a flat tray).

b. The Mailers Technical Advisory Committee (MTAC) has formed a workgroup to provide recommendations for address placement. It is not certain when those recommendations will be provided and how the Postal Service will respond.

c. Based on the complexity of the issues, the lead time needed for customer changes, and the preliminary plans for equipment deployment, I believe it is unlikely that the any standards will be required before calendar year 2008.

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POSTCOM/USPS-T42-9. Please refer to USPS-LR-L-33 at pp. 28-29.

- a. Please describe the design or operational limitations of the AFSM100, if any, that precipitate the Turning Ability Requirement.
- b. Please describe the design or operational limitations of the AFSM100, if any, that precipitate the Minimum Rigidity Requirement.
- c. Please describe the design or operational limitations of the AFSM100, if any, that precipitate the Maximum Rigidity Requirement.
- d. Please describe the design or operational limitations of any other equipment that may be fully implemented during the Test Year that precipitate any of the requirements identified in parts a-c.

Response:

- a. Turning Ability Requirement

This test was originally developed for the FSM 881 where the turning radius was significant. It was left in the AFSM 100 requirements as AFSM 100 characteristics testing proved that very stiff mail pieces have high jam rates throughout the feeding section as the pieces transition from section to section and are then injected into the carousel buckets. Some mail piece flexibility is required to allow the pieces to consistently move at high speed from section to section since there is not always perfectly consistent surface speed matching between sections. Also the timing for the injection of the mail piece into the sorting bucket is critical and stiff mail pieces do not always clear in time to avoid a jam at this junction. Therefore, the turning ability requirement is required not because of turn radii, but to prevent large stiff pieces from being processed.

- b. Minimum Rigidity Requirement

During the AFSM100 characteristics testing and during subsequent tests, it has been consistently shown that very flimsy mail pieces are easily damaged and jam

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in the various transitions of the AFSM 100 feeder. Flimsy pieces cannot absorb the forces imparted on them as the various AFSM 100 mechanisms accelerate the piece to the speed required to move them through the feeder and into the carousel buckets. The pieces and/or their covers tend to bunch up and are damaged. If the piece is successfully accelerated it often wraps around rollers or catches under belts and other surfaces of the feeder. Mail pieces must have some "body" in order to survive the rigors of automated feeding.

c. Maximum Rigidity Requirement

Currently, small rigid pieces can pass the turning ability test by fitting within the concentric arcs of the test fixture without actually bending at all. The purpose of this requirement is to close this loophole in the turning ability test. As discussed in my testimony (USPS-T-42, page 20), small rigid pieces are problematic in both processing and delivery.

d. None.