

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORIES OF DAVID B. POPKIN  
(DBP/USPS-204-216)  
(July 20, 2006)

The United States Postal Service hereby provides its institutional responses to interrogatories DBP/USPS-204-216.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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RESPONSE OF THE UNITED STATES POSTAL SERVICE TO  
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**DBP/USPS-204.** Please refer to your response to Interrogatory DBP/USPS-26 subparts a and e. In response to subpart a you indicated that the FY 2005 Express Mail volume was 55,474,717 pieces and in the response to subpart e you indicated that in FY 05 95.4% of the Express Mail pieces or 51,185,801 pieces were delivered on time. 95.4% of 55,474,717 pieces is 52,922,880 pieces. Please explain the difference and provide corrected data for Express Mail total number of articles, total revenue received, percent delivered on time, number of pieces delivered on time for FY 2004 and 2005.

**RESPONSE:**

Express Mail service performance data is derived from the Product Tracking System (PTS). As indicated in the response to DBP/USPS-26(a), the volume figure provided in that response comes from the Billing Determinants (USPS-LR-L-77). The Billing Determinants volume figure is based on weight levels derived from the Revenue, Pieces, and Weight (RPW) report, with estimates developed separately by Express Mail label type and weight, and is reconciled to annual RPW numbers. PTS data, meanwhile, is based on an actual piece count.

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**DBP/USPS-205.** Please refer to your response to Interrogatory DBP/USPS-26. Please confirm, or explain if you are unable to confirm, that for either the total universe of Express Mail articles or for any specific subset, the average price per article may be obtained by dividing the revenue by the number of pieces.

**RESPONSE:**

Confirmed.

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**DBP/USPS-206.** Please refer to your response to Interrogatory DBP/USPS-26. Please confirm, or explain if you are unable to confirm, that there is no reason to believe that the average price per Express Mail article would be the same for those articles that are delivered on time as compared to those that are not delivered on time.

**RESPONSE:**

The Postal Service has not studied this issue, and therefore has no basis upon which to confirm or not confirm this supposition.

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**DBP/USPS-207.** Please refer to your response to Interrogatory DBP/USPS-26. Please confirm, or explain if you are unable to confirm, that there is no reason to believe that the average price per Express Mail article would be the same for those articles that are not delivered on time and for which a claim for postage refund was filed as compared to those that for which a claim for postage refund was not filed.

**RESPONSE:**

The Postal Service has not studied this issue, and therefore has no basis upon which to confirm or not confirm this supposition.

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**DBP/USPS-208.** Please refer to your response to Interrogatory DBP/USPS-26 subpart f. Please provide the dollar value of Express Mail refunds that were made in FY 2004 and FY 2005.

**RESPONSE:**

For FY 2005, see the response to OCA/USPS-T34-1(b). For FY 2004, total Express Mail refunds were \$5,636,100.

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**DBP/USPS-209.** Please refer to your response to Interrogatory DBP/USPS-4. If we are to assume that a mailpiece weighs over one ounce and less than 13 ounces, is large enough to be mailable, it does not exceed the maximum size, it is properly prepared and addressed, and that it does not contain any prohibited material, then please confirm, or explain if you are unable to confirm, that under the present regulations in order to determine the proper First-Class Mail postage the mailer need only determine the weight of the mailpiece and does not need to determine the shape or any other characteristics of the mailpiece.

**RESPONSE:**

Confirmed.

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**DBP/USPS-210.** Please refer to your response to Interrogatory DBP/USPS-4. If we are to assume that a mailpiece weighs over one ounce and less than 13 ounces, is large enough to be mailable, it does not exceed the maximum size, it is properly prepared and addressed, and that it does not contain any prohibited material, then please confirm, or explain if you are unable to confirm, that under the proposed regulations in order to determine the proper First-Class Mail postage the mailer must determine the weight of the mailpiece and must also determine the shape and other characteristics of the mailpiece.

**RESPONSE:**

Confirmed.

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- DBP/USPS-211.** Please confirm, or explain if you are unable to confirm, that:
- (a) Under the present regulations there are a number of characteristics that will cause a one ounce single-piece First-Class Mail article to pay an additional 13¢ postage for the nonmachinable surcharge.
  - (b) Under the present regulations, the nonmachinable surcharge is only assessed on mailpieces that weigh one ounce or less.
  - (c) Single-piece First-Class Mail articles must weigh less than 3.5 ounces to be eligible under the proposed regulations to be mailable at the letter rates.
  - (d) Under the proposed regulations any single-piece article which otherwise qualifies for mailing at the letter rates but has any of the nonmachinable characteristics noted in subpart a will be required to pay an additional 20¢ in postage regardless of its weight.

**RESPONSE:**

- (a) Confirmed. Please see DMM 101.1.2 and 101.6.4.
  
- (b) Confirmed, for First-Class Mail.
  
- (c) Confirmed.
  
- (d) Yes, a First-Class Mail piece such as described in your question will pay the proposed first-ounce rate for a flat-shaped piece which is 62 cents, 20 cents higher than the proposed first-ounce rate for a letter shaped piece.

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- DBP/USPS-212.** Please refer to your response to Interrogatory DBP/USPS-9.
- (a) Please confirm, or explain if you are unable to confirm, that the weight of a mailpiece can be measured by a scale.
  - (b) Please confirm that normally a mailer may disregard the changes to the weight of a mailpiece that is caused by changes in the relative humidity of the environment.
  - (c) If you are unable to confirm, please enumerate the action that a mailer should take.
  - (d) Please describe any action that is taken by the Postal Service to react to any changes to the weight of a mailpiece that is caused by changes in the relative humidity of the environment.

**RESPONSE:**

- (a) Confirmed.
  
- (b) The Postal Service is not aware of the degree to which mailers are aware of such changes.
  
- (c) Mailers can weigh their mail pieces or have them weighed at acceptance.
  
- (d) The Postal Service has no means of detecting the degree to which the weight of a mailpiece may have changed as a result of humidity before or after acceptance/deposit.

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**DBP/USPS-213.** Please refer to your response to Interrogatory DBP/USPS-14.

- (a) Please check the wording of your response.
- (b) Please confirm, or explain if you are unable to confirm, that the retail window clerks and processing plant personnel will need to have an easy to implement process to determine whether a First-Class Mail article weighing less than 13 ounces is a letter, flat, or parcel with particular emphasis on determining the thickness of the mailpiece.
- (c) Please confirm, or explain if you are unable to confirm, that if there is no easy method available or if the method will require excessive window time that it should be considered in evaluating the approval of the proposed shape regulations.
- (d) Please advise what types of methods are being considered.

**RESPONSE:**

(a) It has been checked. It reads better when the words “rules are” are removed from line 1.

(b) Such a process would be beneficial, but it is not clear from the question what would be “easy.” Reasonable minds may differ.

(c) See the response to part (b). It is not clear from the question what would be “excessive.” The question also seems to imply that the Commission would have to pre-approve any DMM implementing regulations before approving the classification changes.

(d) This has yet to be determined.

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**DBP/USPS-214.** Please refer to your response to Interrogatory DBP/USPS-15. My original interrogatory was designed to determine the methods that a mailer would have to utilize in order to comply with the DMCS/DMM requirements. What types of measuring devices and methods would be required to determine whether a single piece First-Class Mail article weighing less than 13 ounces is a letter, flat, or parcel with particular emphasis on determining the thickness of the mailpiece. Please respond to the original Interrogatory.

**RESPONSE:**

Scales and rulers would suffice.

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**DBP/USPS-215.** Please refer to your response to Interrogatory DBP/USPS-17 subparts c and d.

- (a) Please advise when you believe will be the appropriate time?
- (b) Please confirm, or explain if you are unable to confirm, that the implementation of the proposed regulations involved in this Interrogatory is an important consideration for the Postal Rate Commission to consider in evaluating approval of these regulations.
- (c) Will the procedures be released in time for parties to conduct discovery on them?
- (d) If not, why not?
- (e) Will the procedures be released in time for parties to advise the Commission in their Briefs on them?
- (f) If not, why not?
- (g) Will mailers have an opportunity to comment on them?
- (h) If so, how?

**RESPONSE:**

(a) At a time closer to the implementation of the Docket No. R2006-1 rates than the present.

(b) This question assumes the proposal of new DMM regulations. As indicated in the response to DBP/USPS-17(c), no such determination has yet been made. All regulations are important. This question seems to assume Commission pre-approval of DMM regulations.

(c) That is not yet known.

(d) N/A

(e) That is not yet known.

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(f) N/A

(g) That is not yet known.

(h) N/A

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**DBP/USPS-216.** DBP/USPS-139 A press release indicated that the US Postal Service awarded a contract to United Parcel Service to transport First-Class Mail and Priority Mail to and from 98 U.S. cities. Will this have any effect on the Service Standards for First-Class Mail and Priority Mail? If so, please identify the changes. If not, elaborate on the advantages of the contract.

**RESPONSE:**

The contract is not expected to affect service standards for First-Class Mail and Priority Mail. It is hoped, however, that the contract will result in improved service performance.