

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-267, 284-285, 370-371, 435, 440, 442)
(September 21, 2006)

The United States Postal Service hereby provides its institutional responses to the above-listed interrogatories. DBP/USPS-267 was filed on July 12, 2006, DBP/USPS-284-285 were filed on July 14, 2006, DBP/USPS-370-371 were filed on July 24, 2006, and DBP/USPS-435 , DBP/USPS-440 and 442 were filed on August 2, 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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**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-267 Please furnish a copy of the Office of the Inspector General's Report IS-OR- 06-005 that relates to National Change of Address - Emergency Preparedness and Report IS-MA- 06-003 that relates to Security Vulnerability Assessment and Audit of Automated Postal Center Systems. If it is filed as a Library Reference, please furnish me with a hard copy.

RESPONSE:

The report on National Change of Address – Emergency Preparedness (listed as IS-AR-06-005) can be found USPS Office of the Inspector General website, www.uspsoig.gov, under “Audit Reports” (click on “View All Reports”). An objection has been filed regarding the release of Report Number IS-AR-06-003, Security Vulnerability Assessment And Audit Of Automated Postal Center Systems.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

- DBP/USPS-284** [a] Please confirm, or explain if you are unable to confirm, that many retail service windows now have extended hours to 7 PM on weekdays and 4 PM on Saturday.
- [b] Please provide a listing broken out by Area showing the number of facilities that have these extended hours.
- [c] Please discuss the reasons behind the implementation of this service.
- [d] Please discuss the success or lack of success of this program.
- [e] Please discuss any plans to expand or reduce the number of facilities that have these extended hours.

RESPONSE:

(a)-(e) Not confirmed. Facilities adjust retail service window hours in order to best meet the needs of their customers. The Postal Service cannot confirm whether many of the facilities have extended their hours to the exact times listed in this question.

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DBP/USPS-285 [a] Please confirm, or explain if you are unable to confirm, that many facilities now have Automated Postal Centers [APC] installed.

[b] Please provide a listing broken out by Area showing the number of facilities that have an APC installed.

[c] Please discuss the reasons behind the implementation of this service.

[d] Please discuss the success or lack of success of this program.

[e] Please discuss any plans to expand or reduce the number of APCs in service.

RESPONSE:

(a) There are currently 2460 facilities with APCs.

(b) Objection filed.

(c)-(e) APCs permit a customer to mail letter flat and parcel shaped mailpieces without interacting with postal employees. They allow 24/7 access in most locations and the capability to conduct transactions for 80 percent of the most common transactions. The Postal Service plans to continue improving access to prompt, reliable and efficient services, and is constantly evaluating its efforts to do so.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
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DBP/USPS-370 Please refer to your response to Interrogatory DBP/USPS-141.

[a] In the response to subpart e you stated that the name on the credit card must match the name on the Change of Address Order. In the response to subpart c you stated that the only information provided by the credit card company to the Postal Service is whether the card is authorized or rejected. Please explain how the Postal Service will have knowledge of the name on the credit card to make a determination of whether or not it matches the name on the Change of Address Order.

[b] Must the name on the credit card match the name on the Change of Address Order in all respects such as use or non-use of a middle initial and/or the use of a full first name vs. an initial only?

[c] Can the credit card be in the name of the spouse when the Change of Address Order is in the name of the other spouse?

[d] Please explain how an automated system will be able to make the determination of the name match.

[e] In the response to subpart g you stated that the billing address on the credit card must match either the old or new address on the Change of Address Order. In the response to subpart c you stated that the only information provided by the credit card company to the Postal Service is whether the card is authorized or rejected. Please explain how the Postal Service will have knowledge of the billing address on the credit card to make a determination of whether or not it matches the address on the Change of Address Order.

[f] Must the billing address on the credit card match either the old or new address on the

Change of Address Order in all respects such as the use of "Ave." vs. "Avenue" or a 5-digit vs. a 9-digit ZIP Code or the name of the post office [whether the name of the delivery station or branch is utilized in place of the parent post office such as Weston vs. Fort Lauderdale in Florida].

[g] Please explain how an automated system will be able to make the determination of the address match.

[h] Does the www.usps.com website advise the customer who is submitting an online

Change of Address Order of the need for both the name match and the address match?

[i] If not, why not?

RESPONSE:

(a-g) See the revised response to DBP/USPS-141. The Postal Service provides the information entered about the credit card by the purchaser to the credit card company. The credit card company performs the matching process, and informs the Postal Service whether the card is authorized or rejected. The Postal Service

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cannot describe the matching process in any further detail than what is provided in DBP/USPS-141, because it is a process performed by the credit card companies, not by the Postal Service.

(h) Yes. The website says that the credit card billing address must match the purchaser's current address, or the address he or she is moving to.

(i) Not applicable.

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DBP/USPS-371 Please refer to your response to Interrogatory DBP/USPS-141.

[a] Please refer to the response to subpart k. Is one dollar still the lowest minimum charge common to all credit cards for credit card validation?

[b] If not, what is the present value?

[c] Is there a difference between the term "credit card validation" utilized in the response to subpart k and the credit card charge processing as a result of a purchase transaction at a retail window as noted in subpart n?

[d] If so, please explain and discuss.

[e] Please explain the rationale behind the response to subpart m as to why the charge can not be less than one dollar.

[f] Please explain the apparent difference between the response to subpart k which states there is a minimum charge of one dollar and the response to subpart n which indicates that a one cent purchase may be put on a credit/debit card.

RESPONSE:

(a) Yes.

(b) Not applicable.

(c)-(d) Please see the errata filed on September 21, 2006. To enhance security and prevent fraudulent changes of address, credit card information given by a COA purchaser online or over the telephone is checked against the credit card company's database to provide identity validation. Identity validation does not occur when a customer performs a purchase transaction at a retail window as noted in subpart n.

(e) See the response to subpart (a).

(f) Identity validation occurs when a customer purchases a Change of Address order online or over the telephone. It does not take place when a customer purchases a single one-cent postage stamp at a retail service window.

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DBP/USPS-435 Please refer to your response to Interrogatory DBP/USPS-103 subpart b. Please explain how it was possible to have 225,355 Change of Address requests by the call center at \$1 fee for each request and only have received \$78,874.25 since that was only approximately 35¢ per request.

RESPONSE:

As the response to DBP/USPS-103 indicated, the Postal Service does not receive the entire dollar.

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DBP/USPS-440 Please refer to your response to Interrogatory DBP/USPS-104 subparts b and c.

If a fraudulent Change of Address Order were to be filed from address A to address B and the Move Validation Letter is sent to address A, won't it be forwarded to address B [since there is an outstanding Change of Address Order] and therefore the unsuspecting resident at address A will be unaware of the fraudulent order that had been filed?

RESPONSE:

Move Validation Letters are not forwarded.

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DBP/USPS-442 Please refer to your response to Interrogatory DBP/USPS-104

subparts b and c. Since a Move Validation Letter is sent to the old address regardless of whether the Change of Address [COA] Order is submitted on the Internet, by telephone, or in writing,

[a] please explain why the credit card validation procedure is required for a COA request submitted on the Internet.

[b] please explain why the credit card validation procedure is required for a COA request submitted by telephone.

[c] please explain why the credit card validation procedure is not required for a COA request submitted in writing?

RESPONSE:

(a-c) When a COA request is submitted in writing, a signature is required – and, as such, a certification of a false claim is implicated. Because no signature is present when a COA request is submitted over the internet or over the telephone, identity validation is required to enhance security and the prevention of fraudulent COA orders.