

ORIGINAL

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

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

SPECIAL SERVICES REFORM, 1996

Docket No. MC96-3

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS LANDWEHR TO INTERROGATORIES OF  
THE OFFICE OF THE CONSUMER ADVOCATE  
(OCA/USPS-T3-13-24)

The United States Postal Service hereby provides responses of witness Landwehr to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T3-13-24, filed on August 8, 1996.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

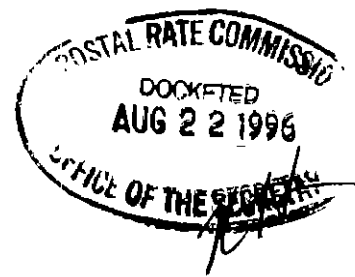
By its attorneys:

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August 22, 1996



**OCA/USPS-T3-13.** Refer to page 4, lines 9-11, of your testimony.

- a. Please explain the rationale for not providing delivery within the corporate limits of Middleburg, given that approximately two-thirds of the 1,856 box holders are residents and “all city residents and businesses rely on post office boxes for mail delivery.”
- b. How much box revenue would be lost to the Middleburg Post Office if delivery service were provided within the corporate limits?

RESPONSE:

- a. Please refer to Domestic Mail Manual Transition Book § 156.22. The residents living within the corporate limits of Middleburg are ineligible for delivery since they live within 1/4 mile of the post office.
- b. I do not know what the box revenue loss would be if delivery services were provide within the city limits. The Middleburg postmaster informed me that some residents would not migrate to street delivery while others would, and there is no way to estimate how many customers would choose each.

**OCA/USPS-T3-14.** Refer to page 4, lines 16-17, of your testimony concerning non-resident box holders. Please explain how you determined that one third of post office box customers “reside outside the service area of the office.”

RESPONSE:

This part of my testimony refers to the Middleburg post office, and the subjective estimate was provided to me by the Middleburg postmaster based on knowledge of his office.

**OCA/USPS-T3-15.** Refer to page 4, lines 21-24, of your testimony concerning “temporary forwarding orders.”

a. Please confirm that the Postal Service does not charge post office box (or other) customers a fee for the forwarding of mail or change of address orders. If you do not confirm, please explain.

b. Please estimate the number of temporary forwarding orders generated by residents and non-residents, and state the time period during which these orders were generated.

c. Please confirm that the cost of processing a temporary forwarding order is the same for a non-resident as it is for a resident box holder. If you do not confirm, please explain.

**RESPONSE:**

a. Confirmed that box customers are not charged fees for forwarding of mail that other delivery customers are not charged. *See* DMM § F020, Forwarding. While mailers often pay for forwarding, delivery customers may agree to pay for forwarding under certain circumstances. DMM § D020.3.6.

b. Since the cited section of my testimony relates to the Middleburg Post Office, I asked the Middleburg postmaster for help in responding to this interrogatory. He estimates that his office receives an average of about 40 temporary forwarding orders each month. He was unable to break this estimate down into residents and nonresidents.

c. Confirmed.

**OCA/USPS-T3-16.** Refer to page 6, footnote 1, of your testimony.

- a. At what stage in the planning process is the new facility for San Luis, AZ?
- b. What is the expected date of opening of this new facility?

RESPONSE:

- a. The solicitation for bids on construction of the new San Luis facility has been issued.
- b. The most recent estimate is spring of 1997.

**OCA/USPS-T3-17.** Refer to page 7, lines 16-18, of your testimony. Please confirm that resident and non-resident box holders are “recipients of benefit checks from federal and state authorities.” If you do not confirm, please explain.

RESPONSE:

Confirmed. I understand from the San Luis postmaster that both domestic and foreign customers are recipients of benefit checks from federal and state authorities.

**OCA/USPS-T3-18.** Refer to page 7, lines 18-19, of your testimony.

- a. Please explain the policy of the Postal Service with respect to responding to Freedom of Information Act requests.
- b. Please explain “[t]he process for responding to” Freedom of Information Act requests.
- c. Please explain whether Freedom of Information Act requests on behalf of non-residents are proportionately greater than such requests on behalf of residents.
- d. Please confirm that the cost of processing Freedom of Information Act requests on behalf of non-residents is the same as the cost of processing such requests on behalf of residents. If you do not confirm, please explain.
- e. Does the Postal Service request reimbursement for whatever costs are incurred in processing Freedom of Information Act requests? Please explain.

RESPONSE:

- a. The policy and procedures on Freedom of Information Act requests and fees are set forth in 39 Code of Federal Regulations sections 261-267 and the Administrative Support Manual, section 352.
- b. FOI requests of the type described in my testimony seek physical addresses of box holders. Upon receipt, the adequacy of the request is verified, the address is identified and written upon the form. Any fees are collected and processed and the FOI form is returned to the appropriate authority.
- c. I do not know.
- d. While I am not well informed regarding costs, the procedures for handling FOI requests are the same regardless of the residence status of the box customers involved. On this basis, confirmed.
- e. Please see OCA/USPS-T3-18 a.

**OCA/USPS-T3-19.** Refer to your testimony at pages 7-8, lines 25-26, and lines 1-2, respectively, of your testimony. Please confirm that the Postal Service provides box service only where the person(s) whose name(s) is listed on the box application form (PS Form 1093) matches the name(s) on the mail piece.

- a. If you do not confirm, please explain under what circumstances the Postal Service provides box service to a person(s) not named on the box application form.
- b. If you do confirm, please explain how “[u]se of the box is difficult to control.”

RESPONSE:

Confirmed. Please see DMM § D910.3. All names listed on the box application, PS Form 1093, are authorized by the box holder and the Postal Service to receive mail at a post office box.

This part of my testimony refers to the San Luis Post Office. The San Luis postmaster informs me that many boxes have multiple individuals using the same box number. It is not unusual for one of the multiple individuals to pick up the mail and not advise the boxholder. This requires the customer to stand in line and wait for a clerk to walk to the back and confirm that the mail has been picked up. This is time consuming for the customer and postal personnel. When I visited the San Luis Post Office I observed several such incidents at the front retail counter. The San Luis Post Office has over 6100 box customers and many of the boxes have multiple users, thus lending to frequent checks of this type.



**OCA/USPS-T3-20.** Refer to your testimony at pages 7-8, lines 22-26 and lines 1-8, respectively. Also, refer to pages 9-10, lines 25-26 and lines 1-11, respectively. Please confirm that the “administrative requirements” ascribed to non-resident box customers on the above referenced pages will not be reduced, even if the Commission recommends the Postal Service’s proposal for post office boxes. If you do not confirm, please explain the basis for your conclusions.

RESPONSE:

I do not know what the Commission will recommend, the Governors will approve, or the rules that might be implemented. Accordingly, any answer to this interrogatory would be pure speculation.

**OCA/USPS-T3-21.** Refer to page 9, lines 5-6, of your testimony.

a. What proportion of all box holders in the Blaine Post Office is made up of Canadian citizens?

b. Please confirm that "Canadian citizens who own vacation property" in the Blaine delivery area could avoid the proposed non-resident fee by providing proof of residency, such as a "utility hookup (gas, electric, water, sewage, trash), a current lease, a mortgage, a deed of trust, a cable TV hook-up or bill, or any other verifiable proof of a street address." (*See*, USPS-T-7 at 24.)

RESPONSE:

- a. The Blaine postmaster, based on knowledge of his office, estimates that approximately 65-70 percent of the boxholders in Blaine are Canadian citizens.
- b. I cannot confirm. The definition of residents and nonresidents as it relates to post office boxes has not been finalized, and what documentation is available to Canadian landowners in the Blaine area is unknown to me. It is possible, however, that Canadian citizens who own vacation property in the Blaine area may avoid the nonresident surcharge.

**OCA/USPS-T3-22.** Refer to page 10, lines 14-16, of your testimony.

a. Please provide all surveys, data, studies, reports or other material that support the conclusion that “there are also many similar offices nationwide.”

b. Please provide the number of similar offices nationwide, with reference to any of the information requested in (a) above.

c. If you are unable to provide the information requested in (b) above, please estimate, based upon your experience, the number of similar offices nationwide.

**RESPONSE:**

a-c. This qualitative statement reflects conclusions based upon my knowledge and experience, and is not based on quantitative studies or reports. I have no means of projecting the number of similar offices nationwide.

**OCA/USPS-T3-23.** Please refer to your response to OCA/USPS-T3-4.

a. In response to OCA/USPS-T3-4a, you mention one possibility for post office box assignment. Are you aware of other methods used by postmasters for post office box assignment? If so, please describe them.

b. In response to OCA/USPS-T3-4a, you state that you instruct your employees to assign post office boxes sequentially. Are you aware of other postmasters who similarly instruct their employees? If so, please describe any similarities and differences with the method you use.

c. In response to OCA/USPS-T3-4a, you state, "There are no regulations or guidelines for this process." Are there any regulations or guidelines regarding efficient management or operation of post office box sections? If so, provide them. Are postmasters evaluated positively for efficient utilization of resources in operating their offices? Please explain.

d. Your response to OCA/USPS-T3-4b states that sequential assignment of boxes results in efficient distribution of mail to boxes. Would it be inefficient to assign the 20 boxes in no particular pattern (randomly) as opposed to your method? Please explain.

RESPONSE:

- a. I am not aware of any other specific instructions or methods used by postmasters for post office box assignment.
- b. The operational efficiencies underlying the methods I described are shared by all other offices. Thus, I would expect any method that results in clustered box assignments would work equally well.
- c. As part of the oversight management of post offices, operation teams will visit post offices to observe their operations. That review includes the post office box section. These teams observe the box section area, the way it is set up, managed, and maintained, and offer recommendations for improvement.
- d. It depends how you define random. If the random assignment is within the same box section area or in an active assignment area, then it may not be inefficient. However, if the random assignment results in a box being assigned in vacant unassigned section(s), then it could result in inefficiency.

**OCA/USPS-T3-24.** Please assume the following: (1) Two Postal Service customers work in a Zip Code area that differs from the Zip Code area in which they reside. (2) Customer A rents a post office box in the area near his office and thus checks his box at least once a day. Mail volume rarely exceeds box capacity. (3) Customer B rents a post office box in the Zip Code area where he resides. He does not visit his box on a daily basis. Accumulated volume may frequently exceed box capacity.

a. Given the Postal Service's stated concern in MC96-3 that non-resident mail volumes frequently present problems due to inadequate mailbox capacity and the scenario presented in this interrogatory, which customer would a postmaster prefer?

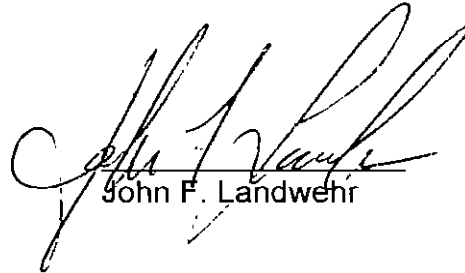
b. Please explain the rationale for charging a non-resident fee to Customer A, whose mail volumes are less likely to exceed box capacity than are Customer B's.

**RESPONSE:**

- a. A postmaster would prefer any box customer who pays regularly and follows the regulations concerning the use of a post office box as stated in DMM § D910.3.0.
- b. Please see the testimony of witness Needham USPS-T-7, pages 25 and 37-38.

DECLARATION

I, John F. Landwehr, declare under penalty of perjury that the foregoing answers are true and correct to the best of my knowledge, information and belief.




John F. Landwehr

Dated: 5/22/96

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

  
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August 22, 1996