

BEFORE THE
 POSTAL RATE COMMISSION
 WASHINGTON, D.C. 20268-0004

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POSTAL RATE COMMISSION
 OFFICE OF THE SECRETARY

SPECIAL SERVICES REFORM, 1996

Docket No. MC96-3

OBJECTION AND RESPONSE OF UNITED STATES POSTAL SERVICE
 TO INTERROGATORIES OF
 THE OFFICE OF THE CONSUMER ADVOCATE
 (OCA/USPS-15-20)

The United States Postal Service hereby provides responses to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-15-20, filed on August 8, 1996.

By providing responses, the Postal Service does not intend thereby to waive its right to object to interrogatories OCA/USPS-17, -18, and -19. The subject matter of these interrogatories is beyond the scope of this proceeding and not relevant to any of the proposals under consideration by the Commission. Interrogatory OCA/USPS-17 is also objectionable on the grounds that it calls for information protected by the deliberative process privilege. The Postal Service has nonetheless provided responses to these interrogatories in the spirit of cooperation. Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
 Chief Counsel, Ratemaking


 Anthony F. Alverno



Answer of United States Postal Service to the Interrogatories of
Office of the Consumer Advocate

OCA/USPS-15. Please refer to the response to OCA/USPS-T5-7e. This response states that attrition affected nine sample routes during FY 95.

a. Please describe the procedure for selecting replacement routes for routes subject to attrition. If written instructions for this procedure exist, please include them in your response.

b. Please explain the advantage of not using a randomized procedure for replacement of routes subject to attrition.

c. Please provide comparisons between characteristics of routes subject to attrition and their replacements. For example, for each attrited route and its replacement, provide route characteristics such as number of stops (by stop type), route volume, CAG, and route type.

d. Please explain how the 18 affected routes (both the attrited and replacement routes) can be identified on the FY 95 CCS data set.

OCA/USPS-15a Response

Please see revised response to OCA/USPS-T5-7e. Four routes were substituted in FY 95.

a. City carrier routes both in the last available city carrier sample frame and newly created routes are eligible to replace routes that are subject to attrition.

The main characteristics that are preserved when providing a substitute route are CAG, route type, and number of deliveries. The substitution process includes the input of the statistical program coordinator in the area where the substitution is required.

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OCA/USPS-15b - d Response continued:

b. We must be aware of total workload and data collector knowledge of the rules for taking a city carrier cost test when substituting a route. For those reasons, we maintain the substitute route in the area in which the attrited route existed.

c. The numbers of stops by type are the average number of stops for the time the route was in sample. The route volume is the total volume recorded at all stops divided by all the stops in sample.

	STYP1	STYP2	STYP3	ROUTE VOL	CAG	ROUTE TYPE
1)	72	1	10	6.30	A	1560
	82	13	14	7.77	A	1560
2)	141	0	0	2.80	A	1562
	166	0	0	3.74	A	1562
3)	107	15	3	3.52	C	1560
	133	27	4	3.84	C	1560
4)	7	8	0	18.27	D	1571
	3	18	1	23.29	C	1571

d.

	OLD ZIP5 & ROUTE NUMBER	NEW ZIP5 & ROUTE NUMBER
1)	14223 23046	14217 17004
2)	32210 44054	32208 08020
3)	55806 06632	55806 06614
4)	85351 25004	85225 25017

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OCA/USPS-16. Please refer to the response to OCA/USPS-T5-(7)d. This response states that there is a small number of routes that have parts. Please provide the total number of universe and sample routes that have multiple parts.

OCA/USPS-16 Response

The universe number of routes that have multiple parts is unknown.

The number of routes that have multiple parts in the sample is 5.

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OCA/USPS-17. Refer to the transcript of the proceedings of the July 12, 1994, meeting of the Board of Governors, pages 9-27, concerning mail forwarding. Please confirm that the Board of Governors has adopted a postal management proposal to assess a fee for the forwarding of mail and/or change of address orders.

- a. If you do not confirm, please explain the extent of the Board of Governors' consideration of assessing a fee for mail forwarding and/or change of address orders.
- b. Please provide information on the status of any Postal Service work undertaken to date concerning assessing a fee for the forwarding of mail and/or change of address orders.
- c. Please provide the results (or interim results) of any Postal Service work undertaken to date concerning assessing a fee for the forwarding of mail and/or change of address orders.

RESPONSE:

Not confirmed.

a-c) The Board has not had been presented with proposals for mail forwarding fees or fees for change of address orders. The Postal Service has not undertaken work on any such proposals.

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OCA/USPS-18. Refer to the transcript of the proceedings of the July 12, 1994, meeting of the Board of Governors, page 18, lines 8-12, concerning the cost study for undeliverable as addressed mail. Please provide a copy of the Price Waterhouse study.

RESPONSE:

The study was provided in Docket No. MC95-1. USPS-LR-MCR-76 (Volumes, Characteristics, and Costs of Processing Undeliverable -As-Addressed Mail).

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OCA/USPS-19. Refer to the transcript of the proceedings of the July 12, 1994, meeting of the Board of Governors, page 24, lines 8-10, concerning the cost of forwarding mail. Please confirm that the "total cost of forwarding mail is slightly over 23 cents a piece." If you do not confirm, please provide the correct figure and the data and calculations used to derive it.

RESPONSE:

Confirmed. See USPS LR-MCR-76 at p. 5-5.

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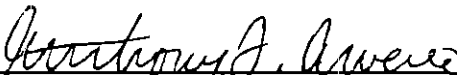
OCA/USPS-20. Refer to the transcript of the proceedings of the July 12, 1994, meeting of the Board of Governors, page 12, lines 8-11, concerning the volume of forwardable [sic] mail. Please confirm that forwardable mail volume is estimated to be over 5 billion pieces per year. If you do not confirm, please provide the correct figure and the data and calculations used to derive it.

RESPONSE:

Volumes of *forwarded* mail are reported in Table 4.2 of USPS LR-MCR-76. The reference to 5 billion *forwardable* pieces in the transcript was probably intended to refer to all UAA mail, which was estimated at 4.84 billion pieces in FY 1993. USPS LR-MCR-76 at p. 4-3, Table 4.2.

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.


Anthony F. Alverno

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2997; Fax -5402
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