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

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POSTAL RATE COMMISSION OFFICE OF THE SECRETARY Docket No. MC96-3

SPECIAL SERVICES REFORM, 1996

UNITED STATES POSTAL SERVICE INTERROGATORIES TO DOUGLAS F. CARLSON (USPS/DFC-10-21) (October 30, 1996)

Pursuant to rules 25 and 26 of the Rules of Practice and Procedure, and rule 2 of the Special Rules of Practice, the United States Postal Service directs the following interrogatories and requests for production of documents to Douglas F. Carlson: (USPS/DFC-10-21)

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Kenneth N. Hollies

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USPS/DFC-10: Why do you use a Postal Service box instead of a box at a CMRA? Please explain fully.

USPS/DFC-11: On page 10, lines 3-5 and 24-26 of your testimony you state, "Valerie obtained her post office box out of necessity because of delivery problems in Richmond. She still considers the box to be a necessity Moreover, because of the delivery and security problems she has experienced recently, Valerie does not consider residential delivery to be a realistic option, either." Please confirm that the service value of Valerie's post office box is quite high. If you do not confirm, please explain why "a necessity" would not have a high value of service.

USPS/DFC-12:

- a. Do you consider the higher charges imposed on subway riders in the Washington, D.C. or Bay areas during rush hours to be unfair and inequitable? Please explain why or why not.
- b. With respect to these charges, please assume that the cost per rider is not higher during rush hour than at other times. How would that assumption affect your view about the fairness and equity of higher rush hour fares?

USPS/DFC-13: In the first paragraph of your testimony you identify four knowledge bases that have assisted you in developing your expertise in mail processing and distribution: tours; tests; studying mail received; and a link between proper addressing and good service.

- a. With respect to the fourth of these, you claim the knowledge but do not identify the basis for or how your gained the knowledge. What is your understanding of the link between the two and how did you develop it?
- b. Are there any tests you have performed that are not otherwise documented in your testimony or interrogatory responses? If so, please describe them and provide copies of any documentation you retained.
- c. With respect to mail you have received, what do you look at on the mail pieces, and what do you infer or deduce from such information? Please explain fully.
- d. To the extent you have not already done so in your testimony or other interrogatory responses, please identify all tours you have taken of postal facilities, their dates and locations, and which operations your reviewed during each.
- e. Are there any other means by which you have developed your expertise in mail processing and distribution? If so, please identify them with specificity and explain how they contributed to your expertise.
- f. Please describe your understanding of how mail is processed, both incoming and outgoing, as between the San Francisco, Emeryville, and Berkeley Post Offices which you have involved in your recent tests.

USPS/DFC-14: Please refer to page six of your testimony, lines 1-7, where you criticize the equity of the nonresident fee proposal when customers base their choice of box service location on the desire for "longer lobby hours." In your view, would an

additional fee at offices with 24-hour lobbies be more or less equitable than what has been proposed? Why or why not? Please explain fully.

USPS/DFC-15: Please refer to page six of your testimony, lines 16-19. You indicate that you were placed on a waiting list at the Berkeley Post Office for one week prior to obtaining service. Was a larger box available without going on the waiting list? Why would or wouldn't you consider obtaining a larger box if none of size one were available. Please explain fully.

USPS/DFC-16: Please refer to page seven, lines 4-10, of your testimony. Please describe the basis for your conclusion that the Berkeley Post Office experiences "serious, consistent delivery delays" for certain mail. If you conducted tests beyond what is reported in the next three paragraphs of your testimony, please detail these tests as best as you are able or provide citations to where they have been described. If you relied upon any qualitative information, please also provide that.

USPS/DFC-17: Please refer to page eight, lines 16-20, of your testimony.

- a. Is it your position that the Commission can only base its decisions on quantified data?
- b. Are you aware of the variety of information on which the Commission has relied in recommending post office box rates in prior proceedings? If so, please explain your understanding. If not, would information used before by the Commission be an appropriate guidepost for what information should be used in this proceeding? Please explain your answers completely.

USPS/DFC-18: Please refer to your response to DBP/DFC-4, in which you assert that a nonresident fee would "interfere" with customers' ability to avoid delivery problems.

- a. By "interfere" do you mean that customers would be precluded from avoiding delivery problems?
- b. How would a nonresident fee compare in importance to other factors affecting choice of box service location, such as convenience, availability, prestige, timeliness and accuracy of delivery, last line of address, etc.
- c. If a nonresident fee is either more or less important than all of these, please explain what it is about a nonresident fee that makes it so different from other factors affecting customer choices.

USPS/DFC-19: This interrogatory seeks a technical correction. Please refer to your response to USPS/DFC-1e, specifically the seventh and eighth lines of the discussion regarding the Riverside Station. Would it be fair to state that the citation to the Domestic Mail Manual is incomplete, and should instead read, "DMM § D910.2.1"?

USPS/DFC-20: Please refer to your response to USPS/DFC-6, in which you identify geographic, economic, political, and educational commonalities you share with Berkeley residents in support of the assertion that you are "similarly situated" to them for purposes of obtaining box service at the Berkeley Post Office. As you are aware,

the Postal Service often bases its decisions on internal factors pertinent to its business purposes, such as ZIP Code boundaries, mail processing locations, facilities and their capacities, transportation networks and service standards. Please address the extent to which you are "similarly situated" to Berkeley residents with respect to each of these internal factors.

USPS/DFC-21: Please refer to your response to USPS/DFC-9 and Attachment 1 to your response to USPS/DFC-7. In which facility does Valerie Horwitz obtain box service?

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.

Manneth 7. Hollies

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