

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO
TO INTERROGATORIES OF DOUGLAS F. CARLSON
(DFC/USPS-T39-1, 3-9)

The United States Postal Service hereby provides the responses of witness Mayo to the following interrogatories of Douglas F. Carlson: DFC/USPS-T39-1, and 3 to 9, filed on January 24, 2000. Interrogatory DFC/USPS-T39-2 has been redirected to the Postal Service.

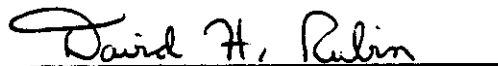
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



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February 7, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-1.

- a. Please confirm that manual Delivery Confirmation provides proof of mailing. If you do not confirm, please explain why the postmarked Delivery Confirmation receipt does not constitute proof of mailing.
- b. Please confirm that a certificate of mailing provides proof of mailing. If you do not confirm, please explain.
- c. Please confirm that a certificate of mailing does not provide proof of delivery. If you do not confirm, please explain.
- d. Please confirm that a customer receives a greater number of services with manual Delivery Confirmation than with a certificate of mailing. If you do not confirm, please explain.
- e. Please explain why the fee for certificate of mailing should be higher than the fee for manual Delivery Confirmation.
- f. Please explain the difference in Delivery Confirmation service, if any, that a customer receives between Priority Mail Manual Delivery Confirmation and Standard Mail (B) Manual Delivery Confirmation.
- g. Please explain why the fee for Priority Mail Manual Delivery Confirmation and Standard Mail (B) Manual Delivery Confirmation should be different.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-1 CONTINUED

RESPONSE:

- a. Not confirmed. Manual Delivery Confirmation service would provide a dated mailing receipt only in instances when either PS Form 152 (Delivery Confirmation label) is dated as part of the retail transaction, PS Form 3877 (Firm Mailing Book for accountable mail) or facsimile with postal markings verifying the date of mailing is obtained, or a manifest for postage payment with article number(s) listed is submitted. For manual Delivery Confirmation pieces deposited in a mailbox for collection, no mailing receipt would be provided.
- b. DMCS section 947.11 states that certificate of mailing service "furnishes evidence of mailing."
- c. Confirmed.
- d. In quantifiable terms, manual Delivery Confirmation service usually provides more services than certificate of mailing service. The services provided are different.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-1 CONTINUED

- e. Certificates of mailing provide evidence of mailing. Delivery Confirmation confirms delivery, and may, though not necessarily, provide a mailing receipt. Certificates of mailing and Delivery Confirmation are two distinctly different special services, as certificates of mailing are available for ordinary mail of any class and Delivery Confirmation is only available for Priority Mail and Standard Mail (B). These two special services were priced based on the criteria discussed in my testimony at pages 39 and 56-58. With respect to costs which were used for pricing purposes, witness Davis presents costs for certificate of mailing service that are comparable to those for Delivery Confirmation service.**

- f. There is no difference in the Delivery Confirmation service a customer receives between Priority Mail manual and Standard Mail (B) manual.**

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-1 CONTINUED

- g. The fees are based on the cost of the service, plus a markup. Witness Davis presents net volume variable costs for Priority Mail manual Delivery Confirmation that are 33 percent lower than the Standard Mail (B) manual Delivery Confirmation costs. See USPS-T-30, pp. 6-7. Hence, the Priority Mail manual Delivery Confirmation fee is lower than the Standard Mail (B) manual Delivery Confirmation fee.**

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-3. Please provide copies of any studies, reviews, or investigations that the Postal Service has conducted since 1997 on the quality of return-receipt service or delivery problems with return-receipt service. If the Postal Service has not conducted any studies, please explain why not.

RESPONSE:

Please see the attached certified mail/return receipt portion of a 1999 Inspection Service Area Coordination Audit.

**United
States
Postal
Inspection
Service**

**Area Coordination Audit
SPECIAL SERVICES**

MAY 18, 1999

Case No. 040-1241887-PA(2)

**U.S. POSTAL INSPECTION SERVICE
NORTHEAST DIVISION**

FINAL REPORT



RESTRICTED INFORMATION

 **UNITED STATES
POSTAL SERVICE.**

CERTIFIED MAIL

FINDING

Better internal controls were needed at Northeast Area Postal facilities delivering large volumes of certified mail to individual businesses and government agencies. Customers were paying the service fees for the handling and documentation associated with the delivery of certified mail. However, at the point of delivery, Postal personnel were not adequately controlling certified mail to ensure postal delivery records were properly documented and service was rendered to the mailing customers. As a result the customer was not receiving the service as advertised by the Postal Service.

Certified mail service increased during peak federal and state tax reporting periods. We found the Postal Service did not fully utilize its resources, commensurate with the increased revenue, to accommodate the increased volume of certified mail and properly control its delivery. PS Forms 3811, Return Receipts, were not always returned to the mailer. Due to the inadequate delivery procedures, the Postal Service was unable to determine which party was responsible for the non-conveyance.

Customers were inconvenienced because they were required to file PS Forms 3811-A, Duplicate Return Receipt, and wait additional periods of time to determine if certified pieces addressed to these large volume receivers were delivered. Consumer affairs and claims/inquiry offices had to use excessive work hours investigating the delivery of certified mail pieces.

In response to an Inspection Service questionnaire sent to all District Managers and Senior Plant Managers, three District offices and five plants identified certified mail as an ongoing problem in their facilities. Their main concern was callers with direct holdouts were receiving certified letters in their mail. Additionally, customers were receiving certified letters without signing for receipt of the item. According to our survey, plant managers were concerned that certified mail was bypassing the facility and going directly to the federal and state agencies without being documented.

DETAILS OF FINDING

Based on the results of the above questionnaire, we sampled at least one large volume certified mail receiver in each of the 9 districts.

- A. We found two districts (Boston and Middlesex/Central) had undocumented deliveries.**
- B. We found six districts (Albany, Boston, Middlesex/Central, New Hampshire, Providence, and Springfield) where postal employees were not obtaining signatures on the return receipts, PS Forms 3811. This non-service resulted in the customer**

being overcharged by \$.90 (\$1.10 - \$.20, postcard fee) for non-completion/non-control of PS Form 3811.

- C. We found three districts (Boston, Albany and Middlesex/Central) where postal facilities processing in excess of a postcon of mail per day had not made arrangements with the addressee to deliver this mail at a mutually agreeable transfer site where these huge volumes could be expeditiously delivered while being simultaneously controlled and documented.
- D. We found three districts (Albany, Boston and Middlesex/Central) where more resources were needed to ensure certified mail would be delivered in a timely fashion.
- E. We found all nine districts where automation equipment was not effectively programmed to separate the certified mail, increasing the possibility of an undocumented delivery to the addressee.

Middlesex / Central District

The Internal Revenue Service (IRS) located in Andover, Massachusetts receives approximately 200,000 pieces of certified mail daily during peak tax periods; April and quarterly filings. The mail is processed at the Middlesex/Essex Processing and Distribution Center in North Reading, MA. The Computerized Forwarding Unit (CFS) handles the preparation of IRS mail for delivery. We observed certified mail being scanned which generated a computerized manifest thereby creating the delivery notification receipt. The pieces scanned were placed back into trays, loaded into postal equipment and shipped to the IRS facility in Andover. Mail averaged two to three days to be processed through this unit. This mail was not reported as delayed on the Daily Mail Condition Report. Once delivered, no IRS employee was signing the manifest acknowledging receipt of the mail.

According to postal employees, most of the certified letters mailed to the IRS had PS Forms 3811 attached. It was the practice of the Middlesex/Essex employees to remove PS Forms 3811 from the envelopes after scanning, and then hand stamp them to show the date of delivery. We found the manifest and PS Forms 3811 did not accompany this mail to the IRS office but instead were delivered at a later time. The PS Forms 3811 were surrendered to the IRS. The IRS would assume custody of PS Forms 3811, endorse the forms, and return them to the Postal Service when they found time available. The Postal Service had no system in place to ensure all PS Forms 3811 rendered to the IRS were returned. We found an antiquated computer system made it difficult and time consuming to research the many claims which were received by the District's Consumer Affairs Office.

Albany, NY District

Similar conditions existed with mail delivered to the State of New York Department of Taxation. The processing for delivery was handled at the Albany, NY P&DC. The Department of Taxation employees were signing the manifest upon delivery of the mail with PS Forms 3811 still attached to the certified letters and flats. Postal Service employees did not remove PS Forms 3811 from the items to obtain the signature or hand stamp as required. These forms (when signed or hand stamped) were returned to the Postal Service when it was convenient for the Dept. of Taxation. The Postal Service failed to ensure the PS Forms 3811 were signed by the addressee and returned to the sender through the mails.

Limited Postal resources were used to process this mail during peak tax filing periods. As with the IRS certified mail, not all mail was delivered the same day as it was processed to the Department of Taxation. The undelivered mail was not being reported as delayed mail on the Daily Mail Condition Reports.

Providence District

Letter carriers at the Providence, RI Post Office were delivering between 500 and 1000 pieces of certified mail to the Rhode Island Division of Taxation (RIDT). Control of the certified mail at the time of delivery needed to be improved. Prior to assigning the RIDT mail to delivery employees, station clerks were scanning the numbers on the certified letters to create a computerized PS Form 3883A, Firm Delivery Receipt. These PS Forms 3883A were stamped with a post office date round iron. The indicia should have been affixed after delivery. Many carriers were delivering certified letters with the PS Forms 3811 attached along with PS Form 3883A, Firm Delivery Receipt. Signatures were obtained at a later time.

Boston District

The Incoming Mail Center (IMC) located in Chelsea, MA was delivering one postcon of certified mail daily to the Commonwealth of Massachusetts Department of Revenue (DOR). Scanning the certified numbers into a computer created the manifest. This manifest was not used as a delivery document. No representative of the DOR signed for the daily shipments of certified mail. Forms PS 3811 were left attached to the mail and delivered to the DOR. Neither postal management nor craft employees interviewed were able to describe how PS Forms 3811 were endorsed by DOR and returned to the Postal Service.

New Hampshire District

During peak periods the Concord, New Hampshire Post Office delivered between 3000 and 8000 pieces of certified mail to the State of New Hampshire Revenue Administration Office. The mail was delivered as a caller service from the Concord Post Office. Delivery of the mail was documented by the agent of the addressee signing a computerized manifest listing the certified numbers. According to Postal employees,

approximately 40% of the certified pieces had PS Forms 3811 attached. These forms were removed from the mail and given to the agent for signature processing at the Revenue Administration Office. The forms were subsequently brought back to the Post Office by the agent for return to the mailer.

Springfield District

Mass Mutual Insurance Company in Springfield, MA was receiving as many as 120 pieces of certified mail daily at the Springfield P&DC. Postal employees listed the certified letters on PS Form 3883. Representatives of Mass Mutual accepted the mail and signed PS Form 3883. The Postal employees were leaving the PS Form 3811's attached to the certified letters at the time of delivery. By their actions, local postal officials had made it the responsibility of Mass Mutual to ensure the forms were signed and returned to the mailer through the mails.

The Domestic Mail Manual Section D042.1.7 states that for all accountable mail (including certified mail):

- a. The recipient (addressee or addressee's representative) may obtain the sender's name and address and may look at the mail piece while held by the USPS employee before accepting delivery and endorsing the delivery receipt.
- b. The mail piece may not be opened or given to the recipient before the recipient signs and legibly prints his or her name on the delivery receipt (and return receipt, if applicable) and returns the receipt(s) to the USPS employee.

RECOMMENDATIONS

We recommend the Vice President Area Operations, Northeast Area:

- 3.1 Ensure Postal employees handle certified mail in accordance postal regulations.
- 3.2 Ensure the necessary upgrades are accomplished in the computerization of the delivery receipts for firms that receive large volumes of certified mail.
- 3.3 Ensure the operations responsible for the controlled delivery of this mail and documentation of delivery are adequately staffed.
- 3.4 Ensure the mail being processed for these large volume customers is managed, using the USPS color code system, and the conditions of this mail are reported daily as part of the Daily Mail Condition Report.
- 3.5 Ensure suitable transfer sites are developed to logistically handle the controlled delivery of certified mail from the Postal Service to the large volume customers.

- 3.6 Ensure certified mail detectors are operational or adequate staffing is utilized to cull accountable mail from ordinary first class mail.

MANAGEMENT'S RESPONSE

3.1-

- 3.6 As stated in the initial response from William Bothwell, Manager of Delivery Programs Support, the issues uncovered in the audit concerning large volume recipients/addressees are national issues.

After Inspectors Mancini and Newton brought their findings to our attention, we contacted Sandra Curran, manager of Delivery Policies and Programs, concerning the national implication of the findings. She assisted in scheduling a meeting at national Headquarters concerning the issues on January 7, 1999. The meeting was held on that date with representatives from Delivery, In-Plant, Engineering, Special Services, Marketing and the Inspection Service.

The problems outlined in the findings were discussed and it was agreed that the issues uncovered in the Northeast Area audit were general in nature and indicative of systemic problems. John Dorsey, Manager of Special Services, Don Leonard, Delivery Policies and Programs, and Jim Buie, Engineering, are addressing the issues discussed with the purpose of designing systems and procedures to enable the Postal Service to comply with existing requirements while improving automated handling of the large volume of Certified Mail.

This entire matter is being viewed from a national perspective. Additionally, I have tasked the District Manager of Middlesex-Central with improving the manner in which Certified Mail is tendered to the IRS in Andover, MA, and bringing the handling into closer compliance with established procedures. Headquarters will keep the Northeast Area updated on procedural changes as they are developed. Currently, we feel that the findings are appropriately addressed by the Headquarters' group.

MANAGEMENT'S SUPPLEMENTAL RESPONSE

(On April 8, 1999, the following supplemental response was received from Gregory Petrin, Northeast Area Operations Program Analyst.)

Steve Rossetti has been working with the IRS to reduce or eliminate the amount of accountable mail mixed with regular mail by using casuals to do a 100% verification of the "non-accountable" mail that is destined for the IRS. The goal would be to assure that the only certified mail the IRS receives will be processed through the CFS unit. This would apply only to mail that goes through the platform operation at Middlesex. A casual is also on duty at the IRS to assist in removing the Certified mail from the "non-accountable" mail. I have contacted Bill Bothwell at HQ to see

where we stand with a technological solution to the problem. I am expecting an update from him shortly, but it appears that it will take some time to reach a solution to this issue.

INSPECTOR COMMENTS

3.1-

3.6 To date, the only response received from the Northeast Area was related to the Middlesex Central District's handling of certified mail addressed to the IRS in Andover, MA. No response has been received concerning conditions cited in the other Districts.

The Northeast Area has requested assistance from National Headquarters relating to the delivery of Certified Mail to the IRS. No update has been received regarding upgrading the level of service for the tax reporting season. New methodologies developed by Headquarters may be helpful; however, indications are that revenues received from Certified Mail sales are adequate to pay for the resources needed to handle this mail.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-4. Please explain the steps that the Postal Service has taken since 1997 to resolve the types of problems with return-receipt service that led the Commission to conclude in Docket No. R97-1 that "there may be problems with the reliability of this service" (PRC Op. R97-1 at 577). Please provide an assessment of the success of any measures in resolving the problems. For both parts of this question, please provide copies of all relevant documentation, including memos and directives.

RESPONSE:

The Postal Service conducted an audit of several locations within one postal area to assess the causes for incomplete return receipt transactions. See my response to DFC/USPS-T39-3. One of the major contributing factors identified involved postal locations that receive high volumes of certified mail with return receipts. The Postal Service concluded that, in the short-term, the only solution to address the challenge of processing the large numbers (2,000 to 200,000 per day) of return receipts in high volume locations is through use of additional labor during seasonal peak periods.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-5.

- a. Please confirm that the Postal Service revised Form 3811, Domestic Return Receipt, to include a box for delivery employees to check to indicate whether the delivery address matches the address to which the customer mailed the article (as indicated in box 1 on the form). If you do not confirm, please explain.
- b. Please provide the date on which this revised Form 3811 became available to post offices.
- c. Please provide copies of all directives and other documents that were produced to alert employees to the redesign of Form 3811 and to train delivery employees on the proper completion of the new Form 3811.
- d. Please confirm that *Postal Bulletin* often is used to communicate important changes in policies and procedures to postal employees and to announce the debut of new forms. If you do not confirm, please explain.
- e. Please provide a copy of the *Postal Bulletin* notice that explained proper completion of the new Form 3811.
- f. Please provide a copy of the *Postal Bulletin* notice that encouraged postmasters to ensure that their delivery employees were aware of the proper procedures for completing the new Form 3811.
- g. If no notice was published in *Postal Bulletin*, please explain why not.
- h. Please confirm that, all else equal, employees are more likely to complete a form properly if they have been trained on completing the form than if they have not been trained on completing the form. If you do not confirm, please explain.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-5 CONTINUED

RESPONSE:

- a. Confirmed that the Postal Service issued a revised Form 3811 that includes a box for delivery employees to check either "yes" or "no" to indicate whether or not the delivery address matches the address to which the customer mailed the article (as indicated in box 1 on the form). The use of the two boxes for a "yes" or "no" response not only serves as an indicator of a delivery address different from the one to which the customer mailed, but it also requires the delivery employee to check the address match.
- b. The Postal Service issued a revised Form 3811, Domestic Return Receipt, on July 15, 1999.
- c. Please see the attached Postal Bulletin 22002, pages 4 and 5. The "Revise Forms" part of this section, Directives and Forms Update, includes the PS Form 3811.
- d. Confirmed.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-5 CONTINUED

- e. See my response to DFC/USPS-T-39-5(g). No explanation on completion of the revised Form 3811 was published in a Postal Bulletin.
- f. See my response to DFC/USPS-T-39-5(g).
- g. The effort in revising Form 3811 was focused on making the form easy to complete and clearer than the old Form 3811. The instructions on completion are self-explanatory and printed on the form itself. Based on this, no notice beyond the announcement of the revised form was deemed necessary.
- h. Confirmed. The announcement of revised forms and instructions in completing them are usually done at the local level during stand-up talks for clerks and carriers.

Directives and Forms Update

Effective immediately, Publication 223, *Directives and Forms Catalog* (November 1997), is revised. The tables below contain the document ID, edition date, title, national stock number (NSN), and the postal and public supply source for all new, revised, and obsolete directives and forms. Use this article to keep Publication 223 current. Information on how to order directives and forms can be

found in chapter 1 of Publication 223.

IWEB = Intranet = <http://blue.usps.gov>; click on "Information," then "Policies and Procedures," and then "Publications."

WWW = USPS webpage = www.usps.com.

PE = Postal Explorer.

F3 = F3 Fill Software.

New Directives

| Document ID | Edition Date | Title | NSN | Org | USPS Source | Public Source |
|-------------|--------------|--|------------------|-----|-------------|---------------|
| HBK F-66 | 4/99 | General investment Policies and Procedures | 7610-04-000-6117 | FIN | MDC | N/A |

Revised Directives

| Document ID | Edition Date | Title | NSN | Org | USPS Source | Public Source |
|-------------|--------------|---|------------------|-----|-------------|---------------|
| POS 123-S | 5/30/99 | Postal Rates and Fees | 7690-03-000-4151 | MSY | MDC | PBC |
| PUB 51 | 5/30/99 | International Postal Rates and Fees | 7610-01-000-9815 | IB | MDC | MDC |
| PUB 112 | 6/16/99 | National Electronic Catalog | 7610-03-000-5940 | PUR | TMD | TMD |
| PUB 123 | 5/30/99 | Consumer's Guide to Postal Rates and Fees | 7610-03-000-5306 | MSY | MDC | AR |

Obsolete Directives

| Document ID | Edition Date | Title | Obsolete Date | Replaced By |
|--------------------|--------------|---|---------------|-----------------|
| HBK MS-122-VOL-A | 9/95 | Advanced Facer Canceler System (AFCS), General Information | 6/15/99 | HBK MS-166 |
| HBK MS-122-VOL-BP1 | 5/95 | Advanced Facer Canceler System (AFCS), Maintenance Information | 6/16/99 | HBK MS-166 |
| HBK MS-122-VOL-BP2 | 5/95 | Advanced Facer Canceler System (AFCS), Maintenance Information | 6/16/99 | HBK MS-166 |
| HBK MS-122-VOL-CP1 | 12/94 | Advanced Facer Canceler System (AFCS), Parts Information | 6/16/99 | HBK MS-166 |
| HBK MS-122-VOL-CP2 | 12/94 | Advanced Facer Canceler System (AFCS), Parts Information | 6/16/99 | HBK MS-166 |
| HBK MS-122-CHG1 | 12/95 | Advanced Facer Canceler System (AFCS), Parts Information (Change 1) | 6/16/99 | HBK MS-166 |
| HBK MS-122-CHG2 | 2/96 | Advanced Facer Canceler System (AFCS), Parts Information (Change 2) | 6/16/99 | HBK MS-166 |
| MIAS-530-94-2 | 4/29/94 | NTSN Guidelines for PS-10 Electronics Technician Positions | 6/21/99 | MIAS-530-1999-5 |
| MIAS-710-87-15 | 10/5/87 | Receiving Reports and Payments to Vendors for Supply and Services Contracts | 6/9/99 | N/A |

Revised Forms

| Form Number | Edition Date | Oldest Usable Date | Title | NSN | Where Used | Unit of Issue | Org | USPS Source | Public Source |
|-------------|--------------|--------------------|--|------------------|------------|---------------|-----|-------------|---------------|
| PS 61 | 3/99 | 3/99 | Appointment Affidavits | 7530-02-000-7226 | PS | SH | HR | MDC | N/A |
| PS 1314-F | 6/99 | 6/99 | Rural Carrier FMLA Certificate | 7530-03-000-8007 | PS | EACH | FIN | MDC | N/A |
| PS 2185 | 6/99 | 6/99 | Certificate of Site Investigation for Easements or Other Evidences of Rights to Government Interests | 7530-03-000-0705 | HQ | SH | GC | HQO | N/A |
| PS 2591 | 3/99 | 3/99 | Application for Employment | 7530-01-000-9733 | PU | SH | HR | MDC | WWW |
| PS 2906 | 4/99 | 4/99 | Steamship Notice — Departure Information | 7530-01-000-9784 | PH | SH | IB | MDC | N/A |
| PS 3541-S | 5/99 | 5/99 | Supplement Sheet for International Mail Volumes for Selected Countries | 7530-03-000-8515 | PU | SH | IB | MDC | WWW |
| PS 3811 | 7/99 | 7/99 | Return Receipt | 7530-02-000-9053 | PU | EACH | MKT | MDC | P/F |
| PS 3877 | 4/99 | 4/99 | Firm Mailing Book for Accountable Mail | 7530-02-000-9098 | PU | BOOK | MSY | MDC | P/F |
| PS 4052 | 5/99 | 5/99 | Notice to Customer of Correct Address | 7530-02-000-9168 | CR | SH | OS | MDC | N/A |
| PS 4570 | 3/99 | 3/99 | Vehicle Time Record | 7530-02-000-9272 | CR | EACH | OS | MDC | N/A |
| PS 8126 | 4/99 | 4/99 | Consolidated Originating RPW Test | 7530-02-000-7256 | PS | PAD | FIN | MDC | N/A |
| PS 8130 | 5/99 | 5/99 | Vending Equipment Sales and Service Log | 7530-02-000-9839 | PS | EACH | MKT | MDC | N/A |
| PS 8163 | 7/99 | 7/99 | Request for Fiscal Year 1999 Accrual | 7530-03-000-1139 | PS | SH | FIN | HQO | N/A |

Obsolete Forms

| Form Number | Edition Date | Title | Obsolete Date | Replaced by |
|-------------|--------------|--|---------------|-------------|
| PS 2564-B | 6/98 | EEO Settlement — Counseling Process | 7/6/99 | N/A |
| PS 2564-C | 6/98 | Withdrawal of Informal EEO Complaint of Discrimination | 7/6/99 | N/A |

Directives With Electronic Access

| Document ID | Edition Date | Title | NSN | Org | USPS Source | Public Source |
|------------------|--------------|---|------------------|-----|-------------|---------------|
| HBK AS-503 | 3/17/99 | Standard Design Criteria | N/A | FAC | IWEB | LOC |
| MIAS-530-1999-5 | 6/9/99 | NTSN Guidelines for PS-10 Electronics Technician Positions | N/A | OS | IWEB | N/A |
| MOPIS-06-17-1999 | 6/17/99 | Year 2000 End User Computing Action | N/A | OS | BLUE | N/A |
| MOPIS-06-21-1999 | 6/21/99 | Year 2000 End User Computing Action | N/A | PMG | BLUE | N/A |
| POS 158 | 6/99 | Possession of Firearms and Other Dangerous Weapons on Postal Property is Prohibited by Law | 7610-03-000-3949 | IS | IWEB | WWW |
| PUB 164 | 5/99 | Q's and A's: Compensation, Relocation Benefits, and Reinstatement Policies for Career Employees | N/A | HR | HQO | N/A |
| PUB 165 | 5/99 | Q's and A's: Compensation Programs Applicable to Transitional Employees | N/A | HR | HQO | N/A |

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-6.

- a. Please confirm that a customer who does not receive his return receipt for merchandise cannot obtain a duplicate return receipt or any other proof of delivery. If you do not confirm, please explain.
- b. Has the inability to obtain proof of delivery if the original return receipt does not arrive caused significant problems for customers using return receipt for merchandise?

RESPONSE:

- a. Not confirmed. A customer who does not receive his/her return receipt for merchandise can obtain evidence of delivery at no additional charge from the delivery record, if the customer provides a receipt showing the return receipt for merchandise fee was paid.
- b. See my response to part a above.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-7. Please explain why the Postal Service offers a stand-alone return-receipt service for merchandise but not for non-merchandise.

RESPONSE:

The Postal Service proposed return receipt for merchandise in Docket No. R87-1 to respond to the needs of parcel mailers. These mailers desired delivery information, but did not necessarily need a signature. Additionally, they may have wanted to use subclasses of mail that did not qualify for certified mail. The Postal Service has never proposed a stand-alone return receipt service for non-merchandise, presumably because it has not received much interest from non-parcel mailers for that type of service.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-8.

- a. Suppose customer 1 purchases certified mail plus return receipt. Please confirm that this customer would pay, under the Postal Service's proposed fees, \$2.10 plus \$1.50, for a total of \$3.60 (plus postage).
- b. Suppose customer 2 purchases return receipt for merchandise. Please confirm that this customer would pay, under the Postal Service's proposed fees, \$2.35 (plus postage).
- c. Please identify all services that customer 1 would receive that customer 2 would not receive.
- d. Please confirm that the services that customer 1 would receive that customer 2 would not receive explain and justify the \$1.25 difference in fee. If you confirm, please explain why.
- e. Based on historical data, in which percentage of cases would customer 1 need the additional services that customer 2 would not receive.
- f. In which percentage of all certified-mail transactions does a customer request a duplicate return receipt?
- g. In which percentage of all certified-mail transactions does a customer request a return receipt after mailing?

RESPONSE:

- a. Confirmed.
- b. Confirmed.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-8 CONTINUED

- c. Both customers would receive a completed return receipt with the signature of the addressee or addressee's agent, the delivery date, and the address where the mailpiece was delivered if it differs from the address on the mailpiece. Additionally, customer 1 would receive certified mail service. Customer 1 would have the option to purchase restricted delivery service, unlike customer 2. Customer 2 would have the option to have the delivery employee, rather than the recipient, sign the return receipt.
- d. Certified mail with return receipt and return receipt for merchandise service are distinctly different special services. Therefore, I can neither confirm nor not confirm your supposition. The justifications for the proposed fees for these special services are discussed in the respective pricing criteria sections of my testimony. In particular, witness Davis presents return receipt for merchandise costs that are less than the costs for certified mail and return receipts combined. See USPS-LR-I-108, pp. 47-55.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-8 CONTINUED

- e. Certified mail with return receipt and return receipt for merchandise are two different special services used with sometimes different classes of mail and geared towards different needs of different customers. Therefore, I cannot calculate a percentage.
- f. This information is not available. Duplicate return receipts for which a fee is paid are a subset of return receipts after mailing and I do not have a breakdown of the percentage. For the total percentage of return receipts requested after mailing for certified mail, please see my response to part g below.
- g. In 1998, .07 percent of all certified mail transactions had a return receipt requested after mailing. If my proposal to reduce the return receipt after mailing fee is implemented, I would not be surprised to see this proportion increase significantly.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO TO
INTERROGATORIES OF DOUGLAS F. CARLSON (DFC/USPS-T39-1-9)**

DFC/USPS-T39-9. Please explain the basis for using a ten-dollar rounding constraint, rather than a smaller rounding constraint, for Reserve Number. If a one-dollar rounding constraint had been used, which fee would have been proposed?

RESPONSE:

I applied a ten-dollar rounding constraint to the proposed fee for Reserve Number to match the rounding constraint applied to the proposed caller service fee. It is probable that a \$30 fee would have still been proposed if I had used a one-dollar rounding constraint.

DECLARATION

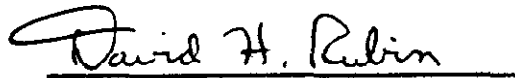
I, Susan W. Mayo, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Susan W Mayo

Dated: February 7, 2000

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.

A handwritten signature in cursive script that reads "David H. Rubin". The signature is written in black ink and is positioned above a horizontal line.

David H. Rubin

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
February 7, 2000