

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-T39-10-14, 16-22)

The United States Postal Service hereby provides the responses of witness Mayo to the following interrogatories of Douglas F. Carlson: DFC/USPS-T39-10-14, and 16 to 22, filed on January 27, 2000. Interrogatory DFC/USPS-T39-15 has been redirected to witness Kaneer.

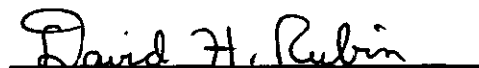
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

  
David H. Rubin

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February 10, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO  
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**DFC/USPS-T39-10.** Please confirm that some stations or branches of post offices that offer city carrier delivery either do not deliver mail to the post-office boxes on Saturdays or do not allow customers any access to their boxes on Saturdays. If you do not confirm, please explain why not.

**RESPONSE:**

I am not aware of any nationwide policy or standard practice that encourages no post office box delivery or no customer access to post office boxes on Saturdays. I would not be surprised if post office box delivery did not occur or access to post office boxes was not available on Saturdays as a result of unique local circumstances.

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**DFC/USPS-T39-11.** Please provide the percentage of postal facilities that have post-office boxes that either do not deliver mail to the boxes on Saturdays or do not allow customers any access to their boxes on Saturdays. Please break the data down between city-delivery offices and non-city-delivery offices. If the Postal Service does not have this data, please explain why not.

**RESPONSE:**

I have not been able to locate the information you have requested, and presumably this type of information is not collected.

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**DFC/USPS-T39-12.** Please confirm that, all else equal, some customers would derive greater value from their post-office-box service if they could receive and access their box mail Monday through Saturday instead of only Monday through Friday. If you do not confirm, please explain why not.

**RESPONSE:**

Not confirmed. I am not aware of any customer analysis with which to verify your hypothesis.

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**DFC/USPS-T39-13.** Please explain why customers who have a post-office box at a facility that does not deliver mail to the boxes on Saturdays or does not allow customers access to the boxes on Saturdays should not pay a fee that is lower than the fee that box customers who can receive mail Monday through Saturday pay.

**RESPONSE:**

Postal fee design, like rate design, requires averaging because the alternative would be different fees for each of the many characteristics that would vary for individual customers. Saturday non-delivery or non-access to post office boxes is not enough of a factor to consider an alternative fee structure, especially in light of the statutory concern for fee simplicity as stated in Criterion 7. See also the Postal Service's response to interrogatory DFC/USPS-10, filed February 7, 2000.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO  
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**DFC/USPS-T39-14.** On a recent Saturday, I checked the mail at my post-office box in Berkeley, California, at 11:30 AM, after the posted 11:00 AM cutoff time for delivery of First-Class Mail. On the following Monday, a Priority Mail parcel had been delivered to my box. My post office stamped it as received on Saturday. The parcel had a Delivery Confirmation label. The Web tracking system indicated that the parcel was delivered at 9:02 AM on Saturday. On a previous occasion, a Priority Mail parcel was scanned as delivered at approximately 7:30 AM, even though mail distribution to my box, which is located in rented space in a building one block from the main post office, rarely begins before 9:00 AM or 10:00 AM.

- a. In light of these examples, please explain the exact meaning of "delivery" for the Delivery Confirmation service.
- b. Does "delivery" mean the moment when the article is made available to the customer?
- c. Please provide all documentation and instructions to delivery employees concerning the proper moment in the delivery process to scan Delivery Confirmation bar codes.

**REPOSE:**

a-b. The exact meaning of "delivery" for Delivery Confirmation service is when an item is available to the customer with no postal intervention required.

This would include when an item is placed in a mail receptacle, including a post office box. In light of the first example you provide, if what you state is accurate, it appears as though the parcel was delivered after the delivery time entered into the system. With respect to the second example, there is no indication the parcel was not delivered at 7:30 AM.

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**DFC/USPS-T39-14 (CONTINUED):**

- c. Please see the attached letter dated August 27, 1998.



August 27, 1998

MANAGERS, OPERATIONS SUPPORT (AREA)  
MANAGERS, IN-PLANT SUPPORT (AREA)  
MANAGERS, DELIVERY PROGRAMS SUPPORT (AREA)

SUBJECT: Scanning Procedures for Delivering Delivery Confirmation (DC) Mail

In response to field inquiries, the following instructions provide scanning procedures for five types of situations involving Delivery Confirmation (DC) mail. The objective is to scan every piece of DC mail, every time, every day.

- **Carrier, Motor Vehicle Service (MVS) Driver, or HGR Driver Deliveries:** Scan DC mail as "Delivered" when it is given to customer or left at the customer's address. If there is no safe place to leave mail or the customer is not available to receive it, scan DC mail as "Attempted Delivery." Scan DC mail as "Delivered" when customer picks up mail or when driver delivers the mail the next day.
- **Post Office Box Deliveries:** Scan DC mail as "Delivered" when placed in post office box. If DC mail does not fit in post office box, scan the mail as "Attempted Delivery," leave a notice in the customer's box, and scan the mail as "Delivered" when customer picks up the mail.
- **Returned Mail:** Pieces that cannot be delivered should be appropriately scanned as "Refused," "Undeliverable as Addressed," or "Return to Sender" by the receiving office and scanned as "Delivered" when returned to sender at the origin office.
- **Hold Mail or General Delivery:** Scan mail as "Attempted Delivery," leave notice in container for held mail, and place mailpiece with accountables. Scan DC mail as "Delivered" when the customer picks up mail.

**Directs:** The term "directs" applies to caller service, firm holdouts, unique 5-digit ZIP Codes, etc. When caller service or firm pick-up is provided at the post office, scan DC pieces as "Delivered" when items are placed into container for the direct. Large volume firms that have been assigned a unique 3-digit or 5-digit ZIP Code may be scanned as "Delivered" at the plant dock if circumstances do not allow scanning at the customer's dock.

Operations should segregate DC mail if mail is sorted into a container in one operation and the container is moved to another location for delivery. At the distribution operation, isolate the DC mail, similar to accountable mail; then send it to the delivering operation. At the point of delivery, scan the DC pieces as "Delivered" when sorted into the appropriate container for directs.

These procedures should meet dual purposes: providing efficient methods for processing DC mail and ensuring the integrity of information provided to customers. Questions concerning processing operations can be directed to Jennie Gallagher at (202) 268-4031. Delivery issues will be addressed by Jeff Lewis at (202) 268-4575.

  
Michael F. Spital  
Manager, Delivery

  
Walter O'Tormey  
Manager, Processing Operations



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**DFC/USPS-T39-16.** Please refer to current DMCS section 921.222.

- a. Is this service also known as "firm holdout"? If not, please provide the common name for this service.
- b. Is this service being eliminated? If so, please explain why.

**RESPONSE:**

- a. and b. This service is not also known as "firm holdout" and has sometimes been identified as involving "P.O. Box throwbacks". It is addressed in Section IV(R)(11)(d) on pages 119-120 of my testimony. The elimination of this service is receiving active consideration for the reasons discussed in my testimony.

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**DFC/USPS-T39-17.** Please refer to current DMCS section 941.26. How does a mailer obtain a copy of the original mailing receipt for certified mail? Is a copy kept at the mailing post office?

**RESPONSE:**

A customer who mails a piece of certified mail as part of a window transaction has in his/her possession the original mailing receipt. At the time of mailing, the customer may ask for a copy of the mailing receipt at the window. Otherwise, after the transaction takes place, the customer could make a photocopy of the original mailing receipt. No copy of the original mailing receipt is kept at the mailing post office.

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**DFC/USPS-T39-18.** Please refer to your testimony at page 43, lines 17-19. Please identify all alternatives to certified mail, including the specific services (e.g., proof of mailing, proof of delivery) that those alternatives provide and the price or fee associated with each alternative.

**RESPONSE:**

The Postal Service alternatives to certified mail, where a mailing receipt is provided and where a signature is obtained on a delivery receipt upon delivery for First-Class Mail or Priority Mail include registered mail, numbered insurance, return receipt for merchandise (Priority Mail only) and Signature Confirmation (Priority Mail only). The current and proposed fees for these special services are presented in my testimony in the respective proposal sections.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO  
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**DFC/USPS-T39-19.** Why is the fee for return receipt after mailing being reduced by 50 percent? Please explain all reasons and provide relevant cost data for Docket Nos. R97-1 and R2000-1.

**RESPONSE:**

Please refer to my testimony at pages 135 and 136 where I discuss the fee design and pricing criteria for return receipts. Witness Davis' cost analysis for return receipt after mailing in Docket No. R2000-1 can be found in LR-I-108, pages 51 and 61. The Docket No. R97-1 return receipt after mailing cost analysis was presented by the Postal Service in Library Reference H-107, page 43.

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**DFC/USPS-T39-20.** Please identify all alternatives to return receipt, including the specific services (e.g., proof of delivery, hard-copy notification of date of delivery, signature of recipient, address verification or correction) that those alternatives provide and the price or fee associated with each one.

**RESPONSE:**

With respect to the specific combined features of return receipts - a hard copy notification of date of delivery, original ink signature of addressee or addressee's agent, and address where the mailpiece was delivered if different from the address on the mailpiece, there is no postal alternative. There are other special services that offer similar features, such as Delivery Confirmation and Signature Confirmation. The current and proposed fees for these services are presented in my testimony at page 55 and page 142, respectively.

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**DFC/USPS-T39-21.** Please refer to your testimony at page 137, lines 8-13.

- a. Please confirm that Form 3811A, which provides the service proposed to be known as "evidence of delivery from the delivery record," does not provide the signature of the recipient. If you do not confirm, please explain.
- b. All else equal, would customers in general place a higher value on receiving the signature of the recipient versus not receiving the signature of the recipient? If your answer is not an unqualified yes, please explain your answer.
- c. Please explain why a customer should not receive a partial fee refund if he/she must settle for a Form 3811A, rather than a Form 3811 that has the signature of the recipient?

**RESPONSE:**

- a. Confirmed. However, it is my understanding that the Postal Service is considering changes to both this form and this service that would make a copy of the recipient's signature available.
- b. I believe the value of possessing the signature of the recipient versus the verification of delivery from the delivery record on file would vary depending upon the needs of the individual customer.
- c. DMCS section 3080 states that a refund may be made when "postage and special service fees have been paid on mail for which no service is rendered for the postage and fees paid, ..." (emphasis added). That section would not extend to partial refunds in the circumstance you describe.

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**DFC/USPS-T39-22.** Please refer to Docket No. R97-1 Tr. 3/1018 at lines 13-16.

- a. Please confirm that witness Plunkett agreed that it would be a "good idea" to study the possibility of extending a stand-alone return-receipt service that shares the characteristics of return receipt for merchandise to documents sent via regular First-Class Mail, thus allowing customers to purchase this return-receipt service along with First-Class Mail without purchasing an additional service such as certified mail. If you do not confirm, please explain.
- b. Please explain the results of any study of this issue that has occurred.
- c. Please explain why the Postal Service is not proposing a return-receipt service that customers can purchase along with First-Class Mail without purchasing an additional service, such as certified mail.
- d. Please explain any plans to offer return-receipt service in the future that can be purchased along with First-Class Mail without the current requirement to purchase an additional service, such as certified mail.

**RESPONSE:**

- a. I can confirm that witness Plunkett agreed that it would be a "good idea" to study why return receipt for merchandise service shouldn't be extended to regular First Class Mail for documents.
- b. To the best of my knowledge, no studies have been conducted concerning the extension of return receipt for merchandise to First Class Mail for documents.
- c. Please see my response to DFC/USPS-T39-7.

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**DFC/USPS-T39-22 CONTINUED**

- d. I know of no plans to offer return receipt service without another special service for First Class Mail.



**DECLARATION**

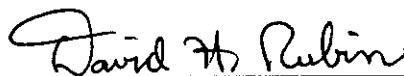
I, Susan W. Mayo, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Susan W Mayo

Dated: February 10, 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.



David H. Rubin  
David H. Rubin

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Washington, D.C. 20260-1137  
February 10, 2000