

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 KINGSLEY TO INTERROGATORY OF
UNITED PARCEL SERVICE
(UPS/USPS-T10-9)

The United States Postal Service hereby provides the response of witness Kingsley to the following interrogatory of United Parcel Service: UPS/USPS-T10-9, filed on February 29, 2000.

The 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



Susan M. Duchek

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March 14, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE UNITED PARCEL SERVICE**

UPS/USPS-T10-9. Refer to Library Reference USPS-LR-176.

- (a) For FY 1998 data, what proportion (and number) of mailing postage statements were submitted without PS Form 8125 for DBMC Parcel Post?**
- (b) For FY 1998 data, what proportion (and number) of mailing postage statements were submitted without PS Form 8125 for all other DBMC mail categories? Provide this information by mail category and subclass.**
- (c) Explain in detail why PS Form 8125 would not be submitted with mailing postage statements for a given DBMC transaction.**
- (d) If mailing postage statements are submitted by the mailer without PS Form 8125, what is done to correct this error? If nothing, explain in detail why.**
- (e) Explain in detail the process by which information listed on PS Form 8125 is matched with mailing postage statement data.**
- (f) Explain in detail the process by which information listed on PS Form 8125 and mailing postage statements is verified against the characteristics of the mail pieces provided in the transaction (i.e., that mailer claimed discounts match discounts allowed for each transaction).**
- (g) If errors are discovered in verifying the data provided by the mailer in the mailing postage statements and PS Form 8125 and the actual characteristics of the mail in the transaction, what is done to correct them? Are the mailing postage statements and/or PS Form 8125 changed to reflect actual mail characteristics? If not, please explain in detail.**
- (h) In regard to FY 1998 data, what proportion (and number) of all Parcel Post mail was sampled for errors, either on PS Form 8125 or mailing postage statements? If sampling contained errors, what proportion (and number) of all Parcel Post mail sampled contained errors?**
- (i) In regard to FY 1998 data, what proportion (and number) of all mail categories were sampled for errors, either on PS Form 8125 or mailing postage statements? Provide this information by mail class and subclass. What proportion (and number) of all mail categories sampled contained errors? Provide this information by mail class and subclass.**
- (j) In regard to FY 1998 data, for all sampled transactions, what proportion (and number) of transactions were discovered to have discounts claimed on PS Form 8125 or the mailing postage statement that should not have been taken by the mailer? Provide this information by mail class and subclass.**

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(k) Are PS Forms 8125 used in any way in the BRPW systems? If so, explain how they are used and for what purpose.

(l) Are PS Forms 8125 ever used in place of mailing postage statement data for entry into the Permit System and ultimately in the BRPW system? If so, what proportion of all FY 1998 records used in the Permit system and BRPW system were from PS Form 8125 versus mailing postage statements? Provide this information by mail class and subclass.

(m) Is PS Form 8125 information maintained on any Postal Service information system? If so, which one? Are the data from this system used in the BRPW system? If so, explain in detail how it is used.

Response:

- a. The PS Forms 8125 are created in conjunction with the mailer after Postal Service employees perform the initial verification against the mailing postage statement. After verification, the shipment and the PS Forms 8125 are tendered back to the mailer or mailer's agent. The proportion of drop shipments that arrive at the destination Postal facility without a PS Form 8125 is not tracked. However, it is unlikely that DBMC Parcel Post mailings would arrive at a BMC without a PS Form 8125 since it has been a well established entry point with many long-term customers participating.
- b. Refer to the response to part (a).
- c. Mailings can qualify for destination rates without plant verification and the creation of PS Forms 8125 for each destination. If a mailer has authorization to enter mail through a Bulk Mail Entry Unit at a particular BMC, SCF, or delivery unit, and the mail entered meets the requirements for destination entry, destination rates can be claimed.

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- d. Refer to the response to part (a) for the procedures for the creation of PS Forms 8125 and how they are related to the mailing postage statements. If a plant verified drop shipment arrives at a destination facility without the required PS Form 8125, the driver is required to contact their dispatcher in order to locate the document. Once located, a faxed document can be accepted as long as the original is mailed to replace the fax. If one can not be obtained, the shipment is refused.
- e. Refer to USPS-LR-I-213.
- f. Refer to pages 20 – 26 of USPS-LR-I-176.
- g. Refer to pages 21, 22, 25, and 26 of USPS-LR-I-176 for information concerning the steps taken to resolve discrepancies on the PS Form 8125. For information concerning the steps taken to resolve discrepancies on the mailing postage statement, refer to page 27 of Handbook DM-109 contained within USPS-LR-I-213.
- h. Refer to Chapter 9 within USPS Publication 401 for the postage verification sampling frequency (available on <http://www.usps.gov/cpim/buspubs.htm>). The proportion that contained errors is not tracked.
- i. These data are not collected. When errors are found, the mailer is given an opportunity to correct the problem, or the mailing statement is modified to reflect the actual mailing (refer to page 27 of Handbook DM-109 contained within USPS-LR-I-213).
- j. These data are not collected. If a mailing is submitted for verification with destination discounts claimed, but the physical mail does not meet the

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necessary requirements for the discount; the mailer is given an opportunity to correct the problem. If a shipment arrives at the incorrect facility based on the destination discount reflected on the PS Form 8125, the shipment is refused and the driver is directed to the correct facility. The number of occurrences of these two situations is not tracked.

k. No.

l. No.

m. No. No.

DECLARATION

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

Linda A. Kingsley
Date: 3-13-2000

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 black ink, appearing to read "Susan M. Duchek", is written over a solid horizontal line.

Susan M. Duchek

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