

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

Docket No. R2000-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE
WITNESS ROBINSON TO INTERROGATORIES OF
DAVID B. POPKIN
REDIRECTED FROM THE POSTAL SERVICE
(DBP/USPS-4, 5, 10)

The United States Postal Service hereby provides the response of witness Robinson to the following interrogatories of David B. Popkin: DBP/USPS-4, 5, 10, filed on March 3, 2000. These interrogatories were redirected from the Postal Service.

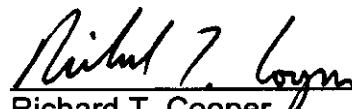
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


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March 17, 2000

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROBINSON
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DBP/USPS-4. [a] Confirm that the Postal Service has run a pilot program for more than a year now with some 250 Mail Boxes Etc. [MBE] franchises, including the MBE franchise in Tenafly, New Jersey. [b] Confirm that Postal Service soon plans to add some 700 additional MBE franchises to the program. [c] Confirm that these MBE franchises utilize an official USPS "round dater" for authenticating various mailing receipts and/or postmarking mail accepted by them. [d] Confirm that these MBE franchises sell postage stamps and postal stationery. [e] Advise which of the following services [assume that this refers only to single piece mail and not to any bulk mailings] a mailer may present to an MBE franchise for determination of the mailability, the postage required, and the acceptance of the mail in behalf of the United States Postal Service: [1] First-Class Mail / [2] Priority Mail / [3] Express Mail / [4] Standard Mail [B] including all classes of individual subclasses / [5] International Mail / [6] Certificates of Mailing / [7] Certified Mail / [8] Registered Mail / [9] Insured Mail / [10] Return Receipt / [11] Postal Money Orders. If any of these services are not provided, please explain why not. If additional services are provided, please advise the nature of the service. [f] Confirm that these MBE franchises normally will provide shippers with a choice of other private carriers, such as UPS and Fedex, for their shipments. [g] Provide a listing of any differences that exist between the level and types of available service between an MBE franchise and the standard type of contract station or branch that has existed for many years. [h] Provide a copy of the standard contract that is utilized between the Postal Service and the MBE franchise. [i] Explain and discuss any subparts you are not able to confirm.

RESPONSE:

[a] Confirmed that such a pilot program exists and that one participant is located in Tenafly, New Jersey.

[b] Confirmed.

[c] I am informed that Contract Postal Unit operators including MBE franchisees are authorized to use a USPS "round dater."

[d] See USPS-LR-I-231 to be filed shortly.

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[e] [1] - [11] See USPS-LR-I-231 (to be filed shortly) for a list of the possible service offerings. I am informed that the choice not to provide one of more of the services listed in this question was a mutual decision between the Postal Service and the supplier.

[f] See USPS-LR-I-231 to be filed shortly.

[g] I am informed that there is no "standard type of contract station or branch" and that the list of services offered by any Contract Postal Unit is reached through mutual agreement between the operator and the Postal Service.

[h] See USPS-LR-I-231 to be filed shortly.

[i] See responses above.

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DBP/USPS-5 [a] Confirm that with respect to a flat-rate envelope which is utilized by a mailer for Priority Mail under the present rates, there is no additional charge for using the flat-rate envelope vs. any other type of enclosure. [Namely, an flat-rate envelope will cost \$3.20 regardless of weight and another type of enclosure will cost the same \$3.20 for weights up to two pounds and more than \$3.20 for weights over two pounds].

[b] Confirm that under the proposed rates, Priority Mail would have the following rates:

<u>Weight</u>	<u>Flat-rate Envelope</u>	<u>Other type of enclosure</u>
Under one pound	\$3.85	\$3.45
One to two pounds	\$3.85	\$3.85
Over two pounds	\$3.85	\$5.10 or more

[c] Confirm that these new rates being proposed will change from a scenario where a mailer will not have to pay more [and could even pay less if the weight is over 2 pounds] for using a flat-rate envelope [vs. any other type of container] to one where the mailer could pay an extra 40 cents postage for just using a flat-rate envelope if the weight is under one pound. [d] What plans does the Postal Service have to publicize this change of scenarios to the USPS acceptance employees? [e] What plans does the Postal Service have to publicize this change of scenarios to the mailing public? [f] Do you feel that this change in scenarios could result in confusion to the mailing public? If not, explain why not.) [g] Do you feel that many mailers could pay 40 cents extra postage either without understanding why or because they don't want to go to the trouble of switching envelopes? If not, why not? [h] Will a mailer be able to cross out and/or cover over the flat-rate envelope markings so as to eliminate the requirement to utilize the flat-rate postage rate? If not, why not? [i] Please provide a complete listing of all types of containers [envelopes, boxes, etc.] that the Postal Service provides to mailers for either Express Mail or Priority Mail including the following specific data: [1] USPS designation [such as EP-13A] / [2] Date of the current version / [3] Whether utilized for Express Mail or Priority Mail [Indicate any containers that may be utilized for both Priority and Express Mail] / [4] Description of the container [such as 9.5" by 12.5" envelope] / [5] Whether the container meets/mandates the requirements for mailing at the flat-rate envelope rate / [6] The wording that is on the container to indicate that it is a flat-rate envelope and the postage required / [7] The weight of the container without contents / [8] The cost to the Postal Service to purchase the container from its supplier. [Please show the price for 1000 containers so that the rounding errors will be less significant]. [j] Explain and discuss any subparts you are not able to confirm.

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RESPONSE:

- [a] Confirmed that Priority Mail postage for a flat-rate envelope under the current rates is \$3.20. Also confirmed that the postage for any Priority Mail piece other than a flat-rate envelope under the current rates is \$3.20 or greater depending on the weight of the piece and the number of postal zones between the origin and destination.
- [b] Confirmed.
- [c] Confirmed that the proposed one-pound Priority Mail rate of \$3.45 is 40 cents less than the proposed flat-rate envelope rate of \$3.85. Also confirmed that the proposed flat-rate envelope rate of \$3.85 would apply to a Priority Mail piece in a flat-rate envelope if the piece weighed less than one pound.
- [d] I am informed that the Postal Service has not yet finalized its plans to publicize the rate and classification changes resulting from Docket No. R2000-1. However, I understand that the Postal Service intends to include information on the one-pound Priority Mail rate and the flat-rate envelope rate for USPS acceptance employees.
- [e] I am informed that the Postal Service has not yet finalized its plans to publicize the rate and classification changes resulting from Docket No. R2000-1. However, I understand that the Postal Service intends to include information on the one-pound Priority Mail rate and the flat-rate envelope rate for the mailing public.

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[f] It is possible that some members of the mailing public may be confused by any change in postal rates and fees. However, the Postal Service intends to publicize the new rates and classification changes resulting from Docket No. R2000-1 in order to minimize any potential confusion among the mailing public and to ensure that USPS acceptance employees have information to assist customers in choosing the appropriate rate for their mail pieces.

[g] It is possible that some members of the mailing public may be confused by any change in postal rates and fees. To address this problem, USPS acceptance employees will be provided the information needed to inform customers of their options and determine which service offering best meets the customer's needs. However, if a customer chooses to pay the \$3.85 flat-rate envelope rate for a mail piece weighing less than one-pound because "they don't want to go to the trouble of switching envelopes," he or she clearly has a preference for the flat-rate envelope because of its ease of use regardless of its price.

[h] No. See DMCS 223.5.

[i] See attachment for a listing of the packaging materials available to the general public. I am informed that no listing of all packaging provided to commercial mailers is available.

[1] See attachment.

[2] See attachment.

[3] See attachment.

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[4] See attachment.

[5] The Priority Mail flat-rate envelope rate is available only for material mailed in envelopes EP-14B and EP-14F.

[6] See response to DFC/USPS-T34-14.

[7] I am informed that this information is not available.

[8] I am unaware of any report that contains the requested information.

[i] See responses to parts [a] to [i] above.



Detach at perforation before faxing

Detach at perforation before faxing

Express Mail, Priority Mail and Global Priority Mail Order Form
Telephone Orders: 1-800-610-8734 FAX Orders: 1-800-270-6233

Listed below are all Express, Priority, and Global Priority Mail envelopes, boxes, tubes and identifying labels. A minimum order quantity for each item has been established. Please determine your needs either at the minimum level number noted or multiples of that number. Check the appropriate block for the amount needed or write the amount in the other block. You may order on an as needed basis or on a repeat order basis. If you choose to repeat your order, indicate the cycle by checking the block under the column marked "Repeat Orders." You may change your repeat order at any time by calling the above 800 number, faxing or mailing your changes.

The bottom part of the form must be completed to ensure that your order is shipped correctly.

Supply Type	Supply Item Description	PSN/Item Number	Quantity		Repeat Orders	
			Minimum	Other	Monthly	Quarterly
Express Mail	Window Envelope for Custom Design Express Mail Label.....	EP 13	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	8 oz. Standard Envelope — Cardboard.....	EP 13A	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Customer Receipt Envelope.....	EP 13B	<input type="checkbox"/> 25	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Tyvek Envelope — Large.....	EP 13C	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	International Envelope.....	EP 13E	<input type="checkbox"/> 10	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Flat Rate Envelope — Cardboard.....	EP 13F	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Box 12 1/4 x 15 1/2 x 3.....	0-1093	<input type="checkbox"/> 25	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Tube 6 x 38 Express or Priority.....	0-1098	<input type="checkbox"/> 20	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Next Day Post Office to Post Office Label.....	Label 11A	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Next Day Post Office to Addressee Label.....	Label 11B	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Custom Designed Label.....	Form 5625	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Next Day Post Office to Post Office Label (continuous form labels).....	Label 11E	<input type="checkbox"/> 10	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Next Day Post Office to Addressee Label (continuous form labels).....	Label 11F	<input type="checkbox"/> 10	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Custom Designed Label (continuous form labels).....	Label 5625C	<input type="checkbox"/> 10	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Drop Shipment Tag.....	TAG 157	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	EMCA Postage / Fees Paid Adhesive Label.....	Label 108	<input type="checkbox"/> 1 pad	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Outside Pressure Sensitive Label.....	Label 63	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Pickup Form.....	Form 5541	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
Pickup Form (continuous).....	Form 5541C	<input type="checkbox"/> 10	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>	
Priority Mail	Flat Rate Envelope — Cardboard 6 x 10.....	EP 14B	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Tyvek Envelope — 12 x 15 1/2.....	EP 14	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Flat Rate Envelope — Cardboard 12 1/2 x 9 1/2.....	EP 14F	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Envelope — Cardboard 5 x 10 (Window).....	EP 14H	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Box 7 x 7 x 6 (Box 04).....	0-10100-04	<input type="checkbox"/> 25	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Box 12 x 12 x 6 (Box 07).....	0-10101-07	<input type="checkbox"/> 25	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Box 12 1/4 x 15 1/2 x 3.....	0-1095	<input type="checkbox"/> 25	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Box "Video" 9 1/4 x 6 1/4 x 2 (Large).....	0-1096 Large	<input type="checkbox"/> 25	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Box "Video" 8 1/4 x 5 1/4 x 1 1/4 (Small).....	0-1096 Small	<input type="checkbox"/> 25	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Box 11 1/4 x 14 x 2 1/4.....	0-1097	<input type="checkbox"/> 25	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Tube 6 x 38 Express or Priority.....	0-1098	<input type="checkbox"/> 20	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Sticker (Pressure Sensitive Strip).....	Label 106	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Tape.....	Label 106A	<input type="checkbox"/> 1 roll	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Sticker (Pressure Sensitive 50/pad).....	Label 107	<input type="checkbox"/> 1 pad	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Sticker (Pressure Sensitive 400/roll).....	Label 107R	<input type="checkbox"/> 1 roll	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
Address Label.....	Label 228	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>	
Address Label (continuous form labels).....	Label 228C	<input type="checkbox"/> 10	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>	
Drop Shipment Tag.....	TAG 159	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>	
Global Delivery Service	International Express Mail Service Guide.....	PUB 273	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Global Priority Flat Rate Envelope - Cardboard (12 1/2 x 9 1/2).....	EP 15A	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Global Priority Flat Rate Envelope - Cardboard (6 x 10).....	EP 15B	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Global Priority Mail Sticker.....	DEC 10	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Global Priority Mail Box 12 1/4 x 9 1/2 x 2 (Four lb. limit).....	0-1099	<input type="checkbox"/> 25	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
Global Priority Mail Tyvek Envelope 12 x 15 1/2.....	EP 15GP	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>	
Other Supplies	Postal Customer Order Form.....	Formx DDD	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Customs.....	Form 2976	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Customs Declaration and Dispatch Note.....	Form 2976A	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Envelope for PS Form 2976A.....	Form 2976E	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>
	Delivery Confirmation Form (Retail).....	Form 152	<input type="checkbox"/> 1	<input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>

Ship This Order To:

Customer Number: _____

Attention: _____ Phone: _____

Company Name: _____

Address: _____

City, State, ZIP+4: _____

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DBP/USPS-10. In the response to Interrogatory DFC/USPS-10, a total of ten Priority mail Processing Centers [PMPC] were listed along with the areas that each cover. [a] Is there an outside contractor that operates each of the ten PMPC facilities. If so, provide the name of this contractor. [b] Are there any plans to change the number of PMPC facilities or the area covered by each of the existing facilities? If so, please explain and detail the change and projected date. [c] Describe the method that is utilized by the Postal Service to process Priority mail for each of the following scenarios: [1] Originating and destinating within the same PMPC area / [2] Originating in one PMPC area and destinating in another PMPC area / [3] Originating in a PMPC area and destinating outside of the PMPC area, and / [4] Originating outside of a PMPC area and destinating within a PMPC area. Other scenarios may be necessary to provide for a full description of the methods utilized. These descriptions should indicate when mail is transferred between the Postal Service and the contractor and who is providing the transportation. For example, a possible response could be in the following format: Local post office sends mail to P&DC, P&DC delivers mail to originating PMPC, PMPC transports mail to destinating PMPC, mail is picked up from PMPC by local P&DC, and mail is sent to local post office. [d] Is all transportation between the P&DC and the serving PMPC done by ground transportation? If not, provide a listing of those P&DC that utilize air transportation to ship mail to or from the serving PMPC.

RESPONSE:

[a] Yes. Emery Worldwide Airlines.

[b] No.

[d] Not necessarily. I am informed that the contract requires Emery to provide

transportation between the designated USPS facility (not necessarily a P&DC) and

the PMPC in accordance with contractual service performance requirements. It is

within the discretion of the contractor to determine the appropriate mode of

transportation in order to meet the contractual service performance requirements. I

am also informed that, currently, a combination of ground transportation and four air

taxis are used to transport mail to and from the USPS facilities in Panama City, FL;

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Plattsburg, NY; Eastern Maine; and Houlton, ME to the serving PMPC. However, I am informed that the contractor may convert these to solely ground transportation.

DECLARATION

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


MAURA ROBINSON

Dated: 3-17-2000

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.


Richard T. Cooper

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
March 17, 2000