

Before The  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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Postal Rate and Fee Changes

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Docket No. R2000-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE  
WITNESS ROBINSON TO INTERROGATORIES OF  
ASSOCIATION OF PRIORITY MAIL USERS  
(APMU/USPS-T34-40, 43)

The United States Postal Service hereby provides the response of witness Robinson to the following interrogatories of the Association of Priority Mail Users: APMU/USPS-T34-40, 43, filed on March 7, 2000. Objections were filed to Interrogatories 33-39, 41-42.

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

  
Richard T. Cooper

475 L'Enfant Plaza West, S.W.  
(202) 268-2993; Fax: -5402  
Washington, D.C. 20260-1137  
March 21, 2000

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**APMU/USPS-T34-40.**

The Inspector General's report, Priority Mail Processing Center Network (September 24, 1999) DA-AR-99-01, states that in FY 1998 the PMPC network incurred \$13.2 million of additional costs that included, *inter alia*, costs for track and trace services.

- a. Please indicate what track and trace services the PMPC network has acquired, and explain why the PMPC network requires track and trace services not available to Priority Mail that originates and destines outside the PMPC network.
- b. The report further states that all of these \$13.2 million of additional costs were included in the FY 1998 CRA Report, but "network personnel...considered these to be start-up and non-recurring costs" (p. 7). Please indicate whether these start-up and non-recurring costs have been included in or excluded from the roll-forward projection to FY 2001. If your answer is to the effect that they are included, please explain the rationale for rolling forward start-up and non-recurring costs.
- c. Please identify and provide the amount of all other start-up and non-recurring costs of the PMPC network included in the FY 1998 CRA, and indicate whether these other start-up and non-recurring costs have been included in or excluded from the roll-forward projection to FY 2001.

**RESPONSE:**

- a. I am informed that under the terms of the PMPC contract, Emery is required to provide a scan of Delivery Confirmation barcodes on entry into the originating and / or destinating processing operations at a PMPC. I am further informed that this is a pilot test program designed to test the operational feasibility of such a feature.
- b. I am informed that FY 1998 start-up and non-recurring costs are not included in the projection for FY 2001.

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- c. I am informed that other FY 1998 start-up costs include: equipment and furniture for headquarters office (\$500,000); staff relocation costs (\$285,000); and mail transport equipment initial purchases (\$12.6 million). I am further informed that none of these costs are included in the projection for FY 2001.

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**APMU/USPS-T34-43**

- a. Please explain when Priority Mail sacks dropshipped to DBMCs or DSCFs are scanned for delivery confirmation purposes. If they are not scanned at DBMCs or DSCFs, why not?
- b. Does the Postal Service maintain records on the percentage of Priority Mail dropshipped sacks that is scanned for delivery confirmation purposes? If so, please provide such data.

**RESPONSE:**

- a. I am informed that Delivery Confirmation is not currently available for Priority Mail drop shipments. I am further informed that this service was tested but only one mailer participated; therefore, because of the limited participation, the test results were poor and there did not appear to be enough interest to extend Delivery Confirmation to Priority Mail drop shipment.
- b. Not applicable.

**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*  
MAURA ROBINSON

Dated: 3.21.2000

## 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

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