

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
TO INTERROGATORIES OF DOUGLAS F. CARLSON
(DFC/USPS-54, 55, AND 57, AND
DFC/USPS-T30-19, REDIRECTED FROM WITNESS DAVIS)

The United States Postal Service hereby provides its responses to interrogatories DFC/USPS-54, 55, and 57, filed by Douglas F. Carlson on March 7, 2000, and interrogatory DFC/USPS-T30-19, filed by Douglas F. Carlson on March 7, 2000, and redirected from witness Davis. Responses to interrogatories DFC/USPS-50 and 51 are being filed separately. Objections to interrogatory DFC/USPS-53 and DFC/USPS-57 (partial) were filed on March 17, 2000. Interrogatory DFC/USPS-52 has been redirected to witness Robinson, and interrogatory DFC/USPS-56 has been redirected to witness Davis.

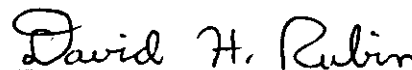
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



David H. Rubin

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March 21, 2000

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DFC/USPS-54. Please refer to the response to DFC/USPS-T34-8 and provide, for each subpart of the original interrogatory, the information that is available from all pertinent measurement systems, including EXFC and PETE.

RESPONSE:

The following data is for FY 1999 from EXFC.

The percentage of First-Class Mail for which the delivery standard is one day that arrives in one day: 93.3 percent.

The percentage of First-Class Mail for which the delivery standard is two days that arrives in two days: 86.5 percent.

The percentage of First-Class Mail for which the delivery standard is three days that arrives in two days: 32.9 percent.

The percentage of First-Class Mail for which the delivery standard is three days that arrives in three days: 85.6 percent.

The following data is for FY 1999 from PETE.

The percentage of Priority Mail for which the delivery standard is one day that arrives in one day: 90.4 percent.

The percentage of Priority Mail for which the delivery standard is two days that arrives in two days: 79.3 percent.

The percentage of Priority Mail for which the delivery standard is three days that arrives in two days: PETE does not measure service performance for any Priority Mail with a three day service standard.

The percentage of Priority Mail for which the delivery standard is three days that arrives in three days: PETE does not measure service performance for any Priority Mail with a three day service standard.

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DFC/USPS-55. For each problem type listed in the response to DFC/USPS-T39-28, please provide the number of complaints received for each of the past three years for which data are available.

RESPONSE:

Please see library reference I-236. A copy will also be mailed to Mr. Carlson.

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DFC/USPS-57. Please provide a copy of Inspector General audit reports DS-AR-99-003, which reviewed the Government Mails Section of the Washington P&DC, and DA-AR-99-003, which identified nearly \$1 billion of potential cost avoidance for Corporate Call Management. Pursuant to Rule 31(b)(2)(ix), I request that a copy of each audit report be mailed directly to me.

RESPONSE:

A partial objection was filed on March 16, 2000. For a redacted copy of the Corporate Call Management report, please see library reference I-237. A copy will also be mailed to Mr. Carlson.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DOUGLAS F. CARLSON,
REDIRECTED FROM WITNESS DAVIS**

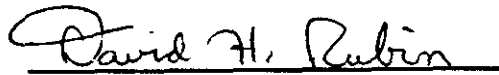
DFC/USPS-T30-19. Please refer to your response to DFC/USPS-T30-11(e). Why is a portion of the Priority Mail Delivery Confirmation cost included in the cost of the Priority Mail subclass, yet similar treatment is not afforded to costs for Standard Mail (B)?

RESPONSE:

This approach was proposed by the Postal Service, and adopted by the Commission, in Docket No. R97-1. Please see the Commission's Opinion in Docket No. R97-1, paragraphs 5964-65, 5977-79. As summarized in those paragraphs, Postal Service witness Rios' rebuttal testimony (USPS-RT-10) in that docket explained the business reasons for the different costing approaches for Priority Mail and Standard Mail (B). Docket No. R97-1, Tr. 35/19030-38, 47.

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 solid horizontal line.

David H. Rubin

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