

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 DAVID B. POPKIN,  
REDIRECTED FROM THE POSTAL SERVICE  
(DBP/USPS—157(A-C), 158(A, C, E-I, K), 159-161, 163-164, 169, 175, 177,  
182(A), 183(A-D), 186(A-F, L), 187(A, D-F), 188, AND 192-93)

The United States Postal Service hereby provides the responses of witness Mayo to the following interrogatories of David B. Popkin: DBP/USPS—157(a-c), 158(a, c, e-i, k), 159-161, 163-64, 169, 175, 177, 182(a), 183(a-d), 186(a-f, l), 187(a, d-f), 188, and 192-93, filed on April 12, 2000, and redirected from the Postal Service.

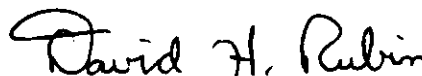
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



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April 26, 2000

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**DBP/USPS-157.** Refer to the response to DBP/USPS-44. [a] Confirm that the city, state, and ZIP Code that the window clerk writes in the top box will be the same as the customer or window clerk writes in the bottom line of the bottom boxes. [b] Will the POS terminal insert the data automatically? If so, explain the procedure. [c] What purpose is served by having the city, state, and ZIP Code shown twice?

**RESPONSE:**

I am informed that:

- a. The city, state, and ZIP Code POS One prints onto the certified mail receipt and the customer transaction receipt will be the correct one as verified by a reverse lookup in the Address Management System (AMS) file. There is a chance that the city, state, and ZIP Code provided by the customer are not correct.
- b. The POS One system will automatically print the city, state, and ZIP Code at the same moment the system prints the postage and fees onto the customer's certified mail receipt. The retail clerk enters the five-digit ZIP Code at the beginning of every transaction involving acceptance of a mailpiece. The city, state, and ZIP Code are then automatically printed onto receipts.
- c. The POS One city, state, and ZIP Code are electronically verified by the AMS. The customer provided city, state, and ZIP Code may not be the correct ones.

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**DBP/USPS-158.** Refer to the response to DBP/USPS-45. [a] I am confused by the response to subpart a. I thought that the printed name was supposed to be a printed version of the signature to provide a value of knowing the name associated with an illegible signature. Please provide specific examples where individual #1 will print his/her name in Box A and while individual #2 will sign the form in Box C. [b] What additional information do you require before you can determine why I am not receiving the proper level of service for the twelve return receipts that I recently received back? [c] Explain why showing only the month and date will be sufficient to indicate the date of delivery. [d] Confirm that the date shown in a cancellation and a round dater will show the year in addition to the month and date. [e] Your response to subparts e and f states that the year of delivery would not have to be printed for the date to be correct. The question is not whether the date is correct but whether it is a complete date. Please reevaluate. [f] Refer to your responses to subparts e, f, and p and explain why this would provide a high value of service to only show the month and date of delivery [without showing the year]. [g] I am confused by the response to subpart h. if all the mailer had to do was compare the name of the addressee with the signature and name of the person receiving the article, there would be no purpose for the boxes in Box C. Provide all instances where these boxes will serve a useful purpose. [h] The response to subpart j is confusing. The second line in Box D states, "if YES, enter delivery address below:" If one doesn't check the YES box, how will they know to complete the new delivery address? [i] Please reevaluate the response to subparts j and t in light of the preceding as well as your response to DFC/USPS-T39-5[a]. [j] My original subpart z was misread. I am interested in knowing the specific items that a mailer would have to do, such as, retrieve original mailing receipt / take to post office / obtain Form 3811-A / complete Form 3811-A / wait for return of completed Form 3811-A / etc. Please respond to original question. [k] My original subpart gg was misread. My concern was that the necessity of the mailer having to go through all of the effort and delay to obtain a duplicate return receipt would reduce the value of the service to that mailer. Please respond to the original question.

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**DBP/USPS-158. (CONTINUED)**

**RESPONSE:**

- a. One example could be an instance where a person presented with an accountable mailpiece prints their name first and then realizes a signature is required and feels uncomfortable about signing if the mailpiece is addressed to another individual. Another example could be a person printing their name and becoming incapacitated before a signature is obtained.
- b. Objection filed.
- c. If you needed to verify date of delivery within a timeframe of 363 days (364 days in a leap year) the month and date should be sufficient. Also, the customer could add the year if receipt is expected to be a matter of concern for more than a year.
- d. Objection filed.
- e. Your original interrogatory DBP/USPS-45 (f) asks for confirmation of the date being "correct", not "complete". In any case, for most purposes the date is complete from a practical perspective. See my response to part (c).

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**DBP/USPS-158. (CONTINUED)**

- f. For those individuals concerned more with a signature a return receipt with the date of delivery shown as the month and day can provide a high value of service. Also, I would imagine most disputes would arise over the exact day of delivery and the year would not necessarily be disputed.
  
- g. Perhaps the printed name and signature of the addressee are not legible. The delivery employee might know that the addressee is the person printing and signing, however, and would check the "Addressee" box if he/she felt that the return receipt recipient might not be able to read the signature or printed name for whatever reason. Also, sometimes a return receipt can get wet if it is raining and the ink might smear an otherwise legible signature or printed name, yet you would still be able to determine which box in Box C was checked, even if blurred or smudged. Also, the recipient of the mailpiece may be *illiterate and uses only an "X" as a signature and the delivery employee would know this person was the addressee, so he or she would check the "Addressee" box.* Based on the aforementioned, and I am sure I have not covered all of the reasons for an "Addressee" box, I feel there are good reasons to have the "Addressee" box.

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**DBP/USPS-158. (CONTINUED)**

- h. The nature of the instruction "If YES, enter delivery address below" is such that the delivery employee has clear instruction and obviates the need to check the box as no additional information is provided at that point by checking the box. Checking the "Yes" box would be superfluous. If the address is different, it should be entered, even if the "Yes" box is not checked.
- i. If the address is different, it will be entered and having the "Yes" box checked is redundant. I do not believe the value of service to the customer would decline if the "Yes" box was not checked, yet a different address was entered.
- j. Objection filed.
- k. I still believe that the primary value to the customer is in knowing that the mailpiece was delivered and signed for. I cannot confirm that obtaining a duplicate return receipt would reduce the value of service to "most" mailers. I can only speculate that obtaining a duplicate return receipt might be an inconvenience to some mailers, but not a reduction in the value of service. I do not believe that enough customers decide they need to request a duplicate to lower the overall value of service for return receipt service. In applying the statutory pricing criteria, I consider the value of service in general rather than as applied to individual mailers..

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**DBP/USPS-159.** Please refer to your response to DBP/USPS-47[f]. [a] Confirm that some mailers may be interested in knowing that there was a change of address. [b] Confirm that it is no longer possible to purchase return receipt service showing the address where the article was delivered.

**RESPONSE:**

- a. Confirmed.
- b. Not confirmed. If the delivery address is different, the customer has purchased return receipt service showing the address where the article was delivered. If the delivery address is the same as the mailing address, the customer also knows the address where the article was delivered.

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**DBP/USPS-160.** Please refer to your response to DBP/USPS-48[j through p]. [a] Please advise whether the Return Receipt must be completed at the time of delivery [the time at which the custody of the mail is transferred from the control of the United States Postal Service to the control of the addressee] for each of the categories of addressees as noted. [b] Please provide the appropriate regulatory reference.

**RESPONSE:**

a-b. I have nothing to add to witness Plunkett's Docket No. R97-1 response cited in my response to DBP/USPS-48.



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**DBP/USPS-161.** Please refer to your response to DBP/USPS-49. It would appear that witness Plunkett is taking the term signature to mean the signature and date literally and not any of the items related to the signature such as the printed name, checking of the boxes, etc. Please either confirm or reanswer the interrogatory.

**RESPONSE:**

Confirmed that the POM section referred to in DBP/USPS-49 talks only about the signature and date.

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**DBP/USPS-163.** Please refer to your response to DBP/USPS-51[a]. Please describe the effort taken by the Postal Service to achieve this goal. [b] What efforts are taken to correct reports of failure to meet this goal? [c] What studies are made to determine the extent to which this goal is met?

**RESPONSE:**

- a. I am not aware of any additional effort.
- b. I am not aware of any efforts.
- c. I am not aware of any studies.

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**DBP/USPS-164.** Please refer to your response to DBP/USPS-54[o]. Please reanswer this question in light of the same misreading that was referred to in DBP/USPS-158[kk] above.

**RESPONSE:**

I do not see a subpart kk to DBP/USPS-158. Perhaps you could see my response to DBP/USPS-158(k).

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**DBP/USPS-169.** Please refer to your response to DBP/USPS-69. [a] Please explain why these mailings encourage the use of Certificates of Mailing for tax returns sent to IRS when the tax laws specifically state that they will not be accepted by IRS? [b] Was this researched prior to making the claim on the mailing? [c] If not, why not? [d] Please explain why these mailings encourage the use of Insured Mail for tax returns sent to IRS when tax returns are First-Class Mail and not merchandise and therefore may not be insured.

**RESPONSE:**

a-d. While the mailing has been reproduced on one sheet, it is actually the back and front of a card. The front suggests the use of certified mail and return receipt at tax time. The back provides general information about various special services, with the intent of helping the public understand what each one is for, rather than encouraging their use for tax returns.

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**DBP/USPS-175.** Please refer to your response to DBP/USPS-81. [a] I am somewhat confused by the response. Please provide details on the nature and number of the postal facilities with administrative functions that sell stamped cards to the public but yet do not provide mail collection service. [b] Please reanswer the original question if necessary.

**RESPONSE:**

a-b. If you are referring to the type of postal facility that sells stamped cards but does not provide collection, one example would be a philatelic center. Other examples would include vending machines and on-line Postal Service product purchasing sites.

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**DBP/USPS-177.** Please refer to your response to DBP/USPS-83. [a] Is the contingency applied equally across all of the various services? [b] If not, please advise the contingency for each of the services.

**RESPONSE:**

- a. Yes.
- b. Not applicable.

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**DBP/USPS-182.** Please refer to your response to DBP/USPS-105. [a] Please respond to subpart a if the word "claimed" is changed to "implied" and the word "would" is changed to "might". [b] If so, please respond to the original subpart b. [c] If not, please respond to the original subpart b with the first two words removed.

**RESPONSE:**

- a. No, not to my knowledge.
- b. Objection filed.
- c. Objection filed.

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**DBP/USPS-183.** Please refer to your response to DBP/USPS-107. [a] Refer to your response to subpart h. Provide details why and under what circumstances the delivering employee will make this report. [b] Is there a requirement to do so. [c] Does any form require this reporting [is so, provide a copy]. [d] Please clarify your original response. [e] Please use your expertise to provide examples and a better response to subparts m, n, s, and t. A knowledgeable mailer is one who knows what the regulations, costs, and services are and makes educated decisions to achieve their goals.

**RESPONSE:**

- a. Circumstances would vary and it would be at the delivering employee's discretion as to whether or not they would report insured parcels to the accountable section before delivery.
- b. To the best of my knowledge there is no requirement.
- c. To the best of my knowledge there is no form requiring this reporting.
- d. I do not believe my original response needs clarification.
- e. Objection filed.



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**DBP/USPS-186.** Please refer to your response to DBP/USPS-117. [a] With respect to the package referred to in subparts b and d, assume that it is sent Standard Mail B and is not marked Priority Mail or Express Mail. Please reanswer subparts b through f. [b] Please use your expertise to estimate the response to original subpart g. [c] Confirm that the special handling that you referred to on page 61 of your testimony relates to the special service known as special handling and not to the generic words of handling that is special. [d] Please respond to the original subpart h. [e] Which specific lines of pages 63 and 64 of your testimony provide the response to the specific questions in my interrogatory subparts l and m? [f] If you are not able to provide specific lines, please respond to the original subparts l and m. [g] Please explain your ability to claim that there is a reasonable assumption that the postage paid on a given article will be exactly what is required - no more and no less. [h] Is it permitted to overpay the postage on an article? [i] Is there a penalty for mailing an article with excess postage on it? [j] If the postage on an article is overpaid, will the article be returned to the sender to remove the excess postage? [k] If I present an article at a retail window with the postage overpaid, will the clerk refuse to accept the article unless I remove the excess postage? [l] Please provide me with a response to subpart i. Your reference in the original response appears to be related to money order revenue and not insurance claims. Please provide the data in a similar format as the data provided in response to a similar question for Registered Mail in DBP/USPS-118[g].

**RESPONSE:**

- a. b. Confirmed. c. Yes. d. Confirmed. e. Yes. f. See my response to DBP/USPS-117(a). In some limited circumstances there would not be absolute certainty.
- b. As this type of information is not collected, I cannot provide any estimates.
- c. Confirmed only that on page 61 of my testimony I was referring to the special service known as special handling.

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**DBP/USPS-186 (CONTINUED).**

- d. As I have stated, the proposed fees in my testimony are based upon the consideration and application of the pricing criteria as discussed in my testimony at pages 63-64.
- e. Line 1, page 63, through line 11, page 64 discuss how I designed the proposed insurance fees and how this proposal satisfies the pricing criteria. In designing the fees, I did not do the data conversions or calculations you refer to in DBP/USPS-117.
- f. Not applicable.
- g-k. Objection filed.
- l. See my response to OCA/USPS-T39-5(b).

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**DBP/USPS-187.** Please refer to your response to DBP/USPS-118. [a] Subpart a has the word "generally" in it. Please use your expertise to indicate the general policy for handling most registered mail. I am not interested in the rare instance where a small office may be taken back with a \$25,000 letter. I am looking at the great majority of the total registered mail volume. Please reanswer subpart a. [b] Since you indicated in your response to the original subpart c that a mailer may overpay the postage, please respond to the original subpart d on how you can determine the insurance value, with absolute certainty. [c] Please use your expertise to respond to the original subpart e. [d] Please use your expertise to respond to indicate the percentage of the total registered mail receives the referred to special security or handling that you indicate might occur in response to original subpart f. [e] Which specific lines of pages 125 and 126 of your testimony provide the response to the specific questions in my interrogatory subparts j and k? [f] If you are not able to provide specific lines, please respond to the original subparts j and k.

**RESPONSE:**

- a. I stand by my original answer.
- b-c. Objection filed.
- d. To the best of my knowledge the Postal Service does not collect this type of information and I have no basis with which to estimate a percentage.
- e. The fee design for registered mail is on lines 10-15 of page 125, and the application of the pricing criteria for registered mail is discussed on lines 19-22 of page 125 and lines 1-23 of page 126.
- f. Not applicable.

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**DBP/USPS-188.** Please refer to your response to DBP/USPS-119[k]. [a] Please advise whether any studies have been conducted to support your belief that customers will be upset at receiving a large decrease in a specific fee. [b] Please furnish copies of any study. [c] Use your expertise to estimate what percentage of the mailers of this country would be upset if they received a large decrease in a proposed fee. [d] For example, the fee for a duplicate return receipt is being proposed to be cut in half due to a reduction in the cost. What percentage of the users of this service do you, with your expertise, feel will be upset at this large reduction in the fee for the service? [e] Why do you feel that users of this service will feel that this large 50% decrease will portend a larger increase in the future than a 25% decrease, for example, might? [f] Why do you feel that users of other services will look at this reduction and feel that their rates were higher because of it? [g] Use your expertise and estimate the percentage of users that might feel as indicated in subparts e and f above. [h] Explain why you feel that most to virtually all users of the service will not just take their large discount and "run with it to the bank".

**RESPONSE:**

- a. I said a large decrease should only upset a customer if they felt the decrease was a prelude to a future increase or a large decrease would upset other customers if they felt their fees were higher because of large decreases for other customers. I am not aware of any studies conducted to support these beliefs.
- b. Not applicable.
- c. I have no information with which to estimate a percentage.
- d-h. See my response to (c) above. My analysis was not intended to be applied to return receipt after mailing service, which is a simpler fee structure, and for which a fee reduction reflects an updated cost study, rather than a more complex reclassification.

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**DBP/USPS-192.** Please refer to your responses to subpart b of DBP/USPS-131/132/133/134. [a] The use of the words "may process" rather than "processes" appears to indicate that the Postal Service handles return receipts in some other manner at other times at the referenced IRS center. Please clarify and explain the choice and significance of those words. [b] What percentage of the return receipts at each of the referenced IRS and state tax offices are handled in the manner similar to that referred to in the Inspection audit? [c] If the response to subpart b is less than 100%, please provide the approximate percentages and specific methods of processing the receipts.

**RESPONSE:**

- a. The use of the word "may" denotes the fact that the process might or might not take place in a similar method.
  
- b-c. To the best of my knowledge, the Postal Service does not collect this type of information.

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**DBP/USPS-193.** Please refer to your responses to subparts c and d of DBP/USPS-131/132/133/134. Please indicate the specific line numbers of R97-1/USPS-RT-20 that provide the response to my specific questions in subparts c and d.

**RESPONSE:**

For subpart c, see lines 1-2 of page 7. POM 822.11 does not specify timing of the procedures, so the application of its requirements to the Andover procedures is unclear. The reference to the DMM would apply to the letter from Sandra Curran. For subpart d, see page 8, line 1, through page 9, line 9.

**DECLARATION**

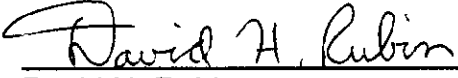
I, Susan W. Mayo, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Susan W Mayo

Dated: April 26, 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

475 L'Enfant Plaza West, SW  
Washington, DC 20260-1137  
April 26, 2000