

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

REVISED RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF UNITED PARCEL SERVICE
(UPS/USPS-10) (ERRATUM)

The United States Postal Service hereby provides its revised answer to the following interrogatory of United Parcel Service: UPS/USPS-10. The original answer was filed on April 26, 2000. The only change is in the answer to subpart (e).

The interrogatory is stated verbatim and is followed by the original answers to subparts (a) through (d) and the revised answer to subpart (e).

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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May 16, 2000

**REVISED RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF UNITED PARCEL SERVICE**

UPS/USPS-10. Refer to the "Priority End-to-End (PETE)" table provided in the response to UPS/USPS-T34-26.

- (a) Explain why performance is systematically lower in PQ2 in FY1998 (82.73%, 60.77%) and in FY1999 (88.15%, 67.21%).
- (b) Confirm that PQ2 includes the peak holiday delivery period (November - December). If you do not confirm, explain.
- (c) Provide any report, study, or available data that explains the reasons for the increase in on-time performance from FY1996 to FY1999.
- (d) Confirm that the overall improved performance of Priority Mail from FY1996 to FY1999 is due to a decrease in the volume or in the relative proportion of Priority Mail that consists of Parcels and an increase in the volume or in the relative proportion of Priority Mail that consists of flats. If not confirmed, explain.
- (e) Provide a breakdown of the PETE data, % On Time Overnight Commitment and % On Time 2-Day Commitment for FY 1997, FY 1998, and FY 1999 for:
 - (i) Priority Mail flats; and
 - (ii) Priority Mail Parcels.

RESPONSE:

- (a) No analysis of the reasons for the variation across postal quarters in service performance as measured by PETE has been performed.
- (b) Not confirmed, November is not a part of either PQ2 FY 1998 which began on December 6, 1997 or PQ2 FY 1999 which began on December 5, 1998.
- (c) The PETE service performance measure was initiated in AP5, FY 1997. Therefore, there is no report, study or other available data that explains the reasons for the increase in Priority Mail on-time performance as measured by PETE from FY 1996 to FY 1999. In addition, there is also no report, study or

other available data that explains the reasons for the increase in Priority Mail on-time performance as measured by PETE from FY 1997 to FY 1999.

(d) The PETE service performance measure was initiated in AP5, FY 1997.

Therefore, this question cannot be answered for the period FY 1996 to FY 1999.

For the period FY 1997 to FY 1999, not confirmed that the improved performance of Priority Mail as measured by PETE is due to a decrease in the relative proportion of Priority Mail that consists of parcels and an increase in the relative proportion of Priority Mail that consists of flats. PETE is a test mail emulation of the Priority Mail network within a 301 3-digit ZIP Code area matrix. PETE is neither a system-wide measurement of Priority Mail performance, nor is it a statistical sample of live Priority Mail. The distribution of PETE test piece shapes is independent of the actual proportion of Priority Mail flats and parcels.

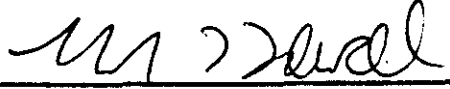
(e) The attached data reflect PETE service performance for flats and parcels for FY 98 and FY 99.

FY	SERV	SHAPE	PARCEL
		FLAT	
		%ONTIME	%ONTIME
1998	1	87.35	85.59
	2	72.60	75.06
*TOTAL 1998		74.94	76.92
1999	1	90.42	89.85
	2	79.17	79.94
*TOTAL 1999		81.15	80.81

RESPONSE OF USPS TO UPS/USPS-10 REVISED
ATTACHMENT PAGE 1

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, appearing to read "M. Tidwell", is written above a horizontal line.

Michael T. Tidwell

May 16, 2000