

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

RESPONSES OF UNITED STATES POSTAL SERVICE  
TO INTERROGATORIES OF DAVID B. POPKIN  
(DBP/USPS-240-243)

The United States Postal Service hereby provides its responses to the following follow-up interrogatories of David B. Popkin: DBP/USPS-240-243, filed on May 18, 2000.

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, Rate-making

  
\_\_\_\_\_  
Scott L. Reiter

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2999; Fax -5402  
June 2, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE  
TO INTERROGATORIES OF DAVID B. POPKIN**

**DBP/USPS-240**

Please refer to your response to DBP/USPS-196. I am not able to reconcile your response to DBP/USPS-196[d]. The first sentence indicated your confirmation that the revenue received for the 91.2% of the articles delivered by the guaranteed time would be reasonably close to 91.2% of the total revenue. This would be equivalent to stating that the revenue received for the 8.8% of the articles that were not delivered by the guaranteed time would be reasonably close to 8.8% of the total revenue. Your response to DBPIUSPS-196[b] stated that the total revenue for the given period was \$1,055,104,000. 8.8% of that number would be \$92,849,152. The second sentence of your response stated that the estimated revenue from the 5,520,033 pieces which were not delivered on time is \$75,624,452. Please clarify, explain, and discuss the difference between these two numbers - \$92,849,152 is some 22.8% greater than \$75,624,452.

**RESPONSE:**

The estimated revenue from the 5,520,033 pieces which were not delivered on time should be corrected from \$75,624,452 to \$84,622,105.

**RESPONSE OF UNITED STATES POSTAL SERVICE  
TO INTERROGATORIES OF DAVID B. POPKIN**

**DBP/USPS-241**

To clarify the last clause of my original DBP/USPS-196[d] and your response in which you stated it was not clear, please confirm that percentage of late deliveries for which the senders who are entitled to file a claim for delivery after the guaranteed time actually do file a claim for refund of postage would be \$1,317,605 [your response to DBP-USPS-196[c]] divided by \$75,624.452, \$92,849,152, or by the number you arrive at in your response to DBP/USPS-240 [of course, the fraction obtained would be multiplied by 100 to arrive at a percentage value]. If you are not able to confirm, please explain and discuss why this ratio would be any different than the similar confirmation made in response to DBPNSPS-196[d] and provide your best estimate of the appropriate value and your reasons for arriving at that response.

**RESPONSE:**

Confirmed. The correct denominator would be \$84,622,105.

**RESPONSE OF UNITED STATES POSTAL SERVICE  
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**DBP/USPS-242**

This is to clarify my original DBP/USPS-196(f) based on your response that it was not clear. Based on your response to DBP/USPS-196 and my statements in DBP/USPS-241, it would appear that senders are not filing for entitled to refunds of postage in approximately 98-99% of the Express Mail articles that are delivered late after the guaranteed time. Please confirm that this large number includes senders who are not aware that the article was delivered after the guaranteed time, the sender was not aware of the ability to obtain a refund, or did not believe that it was worth making the effort to obtain a refund. Please also explain and discuss any other reasons you feel may also apply and why you believe that only 1-2% of those senders who are entitled to apply for a refund of postage actually do so.

**RESPONSE:**

One could speculate that there are a wide variety of reasons and motivations that result in this statistic. Please see also the response to DBP/USPS-62(f).

**RESPONSE OF UNITED STATES POSTAL SERVICE  
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**DBP/USPS-243**

**Based on the high percentage of senders who do not file for refunds, please explain the methods by which the Postal Service makes senders aware of the ability to apply for a refund if the article is not delivered by the guaranteed time.**

**RESPONSE:**

**Regardless of the numbers who do or do not file for refunds, all Express Mail customers are given the "Customer Copy" of the Express Mail label which shows the Day of Delivery, Next or Second Day, and Time—12 Noon or 3 PM. The reverse of the "Customer Copy" states that postage will be refunded if the article is not delivered or attempted before the guaranteed time. The reverse of the "Customer Copy" also includes an explanation of how claims for refund of postage can be filed.**

**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 black ink, appearing to read "Scott L. Reiter", is written over a solid horizontal line.

Scott L. Reiter

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