

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

UNITED STATES POSTAL SERVICE  
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO  
E.STAMP WITNESS JONES  
(USPS/E.STAMP-T-1-10-15)

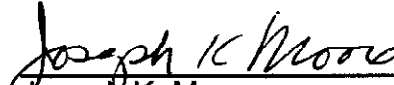
Pursuant to rules 25 and 26 of the Rules of Practice and procedure, the United States Postal Service directs the following interrogatories and requests for production of documents to E.Stamp witness Jones: USPS/E.Stamp-T-1-10-15.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

  
\_\_\_\_\_  
Joseph K. Moore

**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.

  
\_\_\_\_\_  
Joseph K. Moore

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
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June 13, 2000

**USPS/E-STAMP-T1-10** On page 9 lines 19 through 22 you state "the service believed that customers could not be trusted to paste labels with FIMs in the proper position on the envelope which could cause the mail pieces to be rejected by the sorting equipment with a consequent loss of the cost savings."

- a. Do you have any information from actual customer behavior regarding the placement of labels on envelopes? If so, please provide copies of all supporting data.
- b. As stated, an improperly positioned FIM would cause the mail piece to be rejected by the sorting equipment. What would happen to a mailpiece that was rejected by the sorting equipment? Would there be additional costs associated with processing a rejected mailpiece? If so, please describe any additional costs.

**USPS/E-STAMP-T1-11** On page 10 lines 6 through 8 you state "[a]nother difficulty with address cleansing, and a source of numerous customer complaints against the USPS address-matching CD-ROM, is that it is not current nor completely accurate."

- a. Please provide information on the number and nature of customer complaints regarding address-matching problems.
- b. What is the percentage of these address-matching problems to the total number of addresses that have been verified by E-Stamp customers in relation to the data contained in USPS address-matching CD-ROM?
- c. Please confirm that all customer reported problems, as it relates to address cleansing, are the result of non-current or inaccurate information contained in the USPS address-matching CD-ROM? If not, list and describe the sources of other address-matching customer complaints?

**USPS/E-STAMP-T1-12** On page 12 lines 14 through 18 you state "[e]ven the forms of payment allowed by the USPS have been chosen based on what is the most economical to the Postal Service. If one uses a postage meter, one can pay by check. Check acceptance is the most costly method of payment for the Postal Service to handle. A PC Postage user can only pay via ACH (free to the USPS) or by credit card (fees are subsidized by the vendors per the USPS credit card agreement)."

- a. Please provide any costs studies you relied on in your testimony to determine the relative costs of the various forms of payment allowed by the Postal Service.
- b. Confirm that the costs associated with the various forms of payment are relative to the dollar value of the transaction? If not, please explain.
- c. How do the vendors subsidize the credit card fees?

d. Confirm whether the Postal Service accept credit card payments from postage meter customers?

e. Do certain providers of postage meters accept credit card payments from their customers? If so, who is responsible for payment of any associated fees?

**USPS/E-STAMP-T1-13** On page 16 lines 5 through 7 you state “[a]ll pieces mailed at a discount will be recorded in the log file kept for each device. The log files can be audited to prove that only qualified pieces were receiving discounts.”

a. Please explain the process by which the log files are used to prove that only qualified pieces receive discounts.

b. Can the log files be used to determine if a customer applied postage to a label versus an envelope?

c. Can the log files be used to determine the weight of a mailpiece?

**USPS/E-STAMP-T1-14** On page 16 lines 7 through 9 you further state “[a]ll accounting functions will be performed in real time as the mail pieces are generated, thus saving the Service the costs associated with maintaining all of the postage accounts required by permit mailers.”

a. Please explain what is meant by “accounting functions”.

b. How are these functions performed in “real time”?

c. What is the relationship between “accounting functions” and the costs associated with maintaining postage accounts of permit mailers? Confirm whether any of your PC Postage customers are prior permit mailers? If so, how many.

**USPS/E-STAMP-T1-15** On page 16 line 20 you refer to “demonstrated savings already enjoyed”. Please quantify the demonstrated savings already enjoyed and discuss how these savings have been achieved.