

UNITED STATES OF AMERICA
Before The
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

Postal Rate and Fee Changes, 2001)

Docket No. R2001-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS: SUSAN W. MAYO (OCA/USPS-T36-1-18)
October 1, 2001

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-1-21 dated September 28, 2001, are hereby incorporated by reference.

Respectfully submitted,

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OCA/USPS-T36-1. The following questions refer to a United States Postal Inspection Service Special Services report, Case No. 040-1241887-PA(2) dated May 18, 1999, filed in Docket No. R2000-1 as USPS-LR-I-200.

- (a) Since the May 18, 1999, audit, has the Postal Inspection Service or any other entity under Postal Service auspices performed any other audits, studies, or updates on any Postal Service special service? If so, please provide a copy of any report or other document prepared as a result of such audit, study, or update.
- (b) Have the problems been resolved at the three District offices and five plants identified in USPS-LR-I-200 as having ongoing problems in their facilities with Certified Mail in relation to callers with direct holdouts receiving their certified letters without signing for receipt of the items? If so, please explain how each problem was resolved. If not, please explain: (1) why the problem continues to exist; (2) the volume of Certified Mail impacted in FY 2000 and in FY 2001; and (3) when each problem will be resolved. Provide specific cites to all source documents referenced in preparing your response and include a copy of each source document if one has not been previously filed in this docket.
- (c) As noted in USPS-LR-I-200, customers received certified letters without signing for them. Does this problem continue to exist? If so, please explain why it persists, the conditions under which it occurs and provide the volume of Certified Mail impacted for FY 2000 and FY 2001. If the actual volume of Certified Mail impacted is unknown, please provide an estimate for FY 2000 and FY 2001. If the problem does not continue to exist, please explain when and how the

problem was resolved. Provide specific cites to all source documents referenced in preparing your response and include a copy of each source document if one has not been previously filed in this docket.

- (d) As noted in USPS-LR-I-200, at 18, “plant managers were concerned that Certified Mail was bypassing the facility and going directly to the federal and state agencies without being documented.” Does this situation continue to exist? If so, what volume of Certified Mail was impacted in FY 2000 and FY 2001, and why does the situation persist? If the situation does not continue to exist, please explain what was done to resolve the problem and when the problem was resolved.

OCA/USPS-T36-2. The following interrogatory refers to Certified Mail delivered to either a federal, state or local taxing authority.

- (a) When Certified Mail is delivered in bulk to a state, federal or local taxing office, please indicate how the Postal Service currently ensures that the appropriate signatures are obtained.
- (b) If signatures for Certified Mail are not obtained at the time of delivery, please explain why not.
- (c) Please identify and provide a copy of the form or forms used by the Postal Service to obtain a signature for the delivery of a single Certified Mail piece.
- (d) If multiple Certified Mail pieces are delivered to a federal, state or local taxing authority on a given day (i.e. during the annual/quarterly tax return filing season), does the carrier record each Certified Mail piece on a postal service form and

obtain the appropriate signature at the time of delivery? If not, please indicate what procedures the carrier currently follows and estimate the volume of Certified Mail delivered in bulk to a taxing authority in FY 2000 and in FY 2001.

- (e) If signatures for Certified Mail are not actually being obtained at the time of delivery, please explain why not.
- (f) Please identify and provide a copy of each form used by the Postal Service to obtain a signature for delivery of multiple Certified Mail pieces.

OCA/USPS-T36-3. The following excerpt comes from the IRS Publication 17, entitled "Your Federal Income Tax," for 2000 returns. "Your paper return is filed on time if it is mailed in an envelope that is properly addressed and postmarked by the due date. The envelope must have enough postage. If you send your return by registered mail, the date of the registration is the postmark date. The registration is evidence that the return was delivered. If you send a return by Certified Mail and have your receipt postmarked by a postal employee, the date on the receipt is the postmark date. The postmarked Certified Mail receipt is evidence that the return was delivered."

- (a) Are you aware of this IRS Publication 17 statement?
- (b) Given the IRS statement, do you agree that neither Delivery Confirmation nor return receipt is necessary to prove the filing date of an IRS tax return?

OCA/USPS-T36-4. For Certified Mail, please provide by fee category, the number of transactions and reported revenue generated by product sales during (a) April 1, 2000 to April 15, 2000 and (b) April 2, 2001 to April 16, 2001. If you are unable to

provide actual data, please provide an estimate. Provide cites to all source documents used in preparing your response and include a copy of each source document referenced if one has not been previously filed in this docket.

OCA/USPS-T36-5. For return receipts, please provide by fee category, the number of transactions and reported revenue generated by product sales during (a) April 1, 2000 to April 15, 2000 and (b) April 2, 2001 to April 16, 2001. If you are unable to provide actual data, please provide an estimate. Provide cites to all source documents used in preparing your response and include a copy of each source document referenced if one has not been previously filed in this docket.

OCA/USPS-T-36-6. In your testimony at 24, you state, "Certified mail is an ideal vehicle for customers wishing to send mail It is used frequently by law firms, tax municipalities, police departments, banks, mortgage institutions and real estate companies for important documents." Also, you note that in FY 2000, 84 percent of all Certified Mail articles had return receipts attached to them.

- (a) Please provide the derivation of the 84 percent figure you reference. Provide cites to all source documents used in preparing your response and include a copy of each document referenced if one has not been previously filed in this docket.
- (b) For FY 2000 and FY 2001, please provide an estimate of the total transactions and the revenue generated by Certified Mail pieces sent to each of the following:
 - (1) a federal, state or local taxing authority;
 - (2) law firms;
 - (3) police departments;

- (4) banks; (5) mortgage institutions; and (6) real estate companies. Provide specific cites to all source documents used in preparing your response and include a copy of each source document referenced if one has not been previously filed in this docket.
- (c) For FY 2000, of the 84 percent of all Certified Mail articles that had return receipts attached to them, how many of them did not receive the required recipient signature?

OCA/USPS-T36-7. The following refers to an advisory report issued May 2, 2001 by Nicholas F. Barranca, Vice President, Operations Planning and Processing regarding Certified Mail Observations at the Los Angeles Processing and Distribution Center (Report Number AC-MA-01-002).

- (a) Please identify each and every Processing and Distribution Center (P&DC) that has scanning equipment that is not compatible with the Signature Capture Program. Include in your response the volume of Certified Mail impacted by the lack of compatible scanning equipment during FY 2000 and FY 2001. Provide specific cites to all source documents used in preparing your response and include a copy of each source document referenced if one has not been previously filed in this docket.
- (b) For each P&DC that employs the old scanning equipment identified in part "a" of this interrogatory, please explain whether or not the P&DC currently participates in the Signature Capture Program.

- (c) For each and every P&DC that does not currently participate in the Signature Capture Program, please explain why the facility is not participating. Also, if the reason for not participating in the Signature Capture Program is due to the lack of appropriate equipment or the lack of appropriate equipment links, please identify when the problem of incompatible equipment links with the national database will be resolved, and how the resolution will be accomplished. If no resolution is expected, please explain why none will be achieved. Include in your response the volume of Certified Mail impacted in FY 2000 and FY 2001.
- (d) Please identify each and every non-P&DC unit that currently handles Certified Mail and uses the “old scanning equipment” that is incompatible with the Signature Capture Program. Provide specific cites to all source documents used in preparing your response and include a copy of each reference used if one has not been previously filed in this docket.
- (e) Referring to part “d” or this interrogatory, for each and every non-P&DC that does not currently participate in the Signature Capture Program, please identify: (1) when the problem of incompatible equipment links with the national database will be resolved, and (2) how the resolution will be accomplished. If no resolution is expected, please explain why no resolution will be achieved. Provide specific cites to all source documents used in preparing your response and include a copy of each source document referenced if one has not been previously filed in this docket.
- (f) For each year, FY 2000 and FY 2001, please provide the number of Certified Mail transactions and the revenue impacted by using “old scanning equipment”

that was not linked to the national database. Provide specific cites to all source documents used in preparing your response and include a copy of each source document referenced if one has not been previously filed in this docket.

OCA-USPS-T36-8. Please identify all studies, claims, legal issues or proceedings involving the Postal Service and another party or parties regarding mail delivered to either the IRS or other taxing authorities. Include in your response the type and volume of accountable mail impacted, and the nature of the study, claim, legal issue or other proceedings. If a study or report has been performed, please provide a copy. Provide specific cites to all source documents used in preparing your response and include a copy of each source document referenced if one has not been previously filed in this docket.

OCA/USPS-T36-9. Docket No. R2000-1, USPS-LR-I-200 at 3 states, "Prior Postal Inspection Service investigations and audits have determined the customer is often confused between the definitions of registered, certified and insured mail." Since Docket No. R2000-1, what steps has the Postal Service taken to better inform customers of the differences between each of the three services? Provide specific cites to all source documents used in preparing your response and include a copy of each source referenced if one has not been previously filed in this docket.

OCA/USPS-T36-10. The Area Coordination Audit Special Services, May 18, 1999, Case No. 040-1241887-PA(2) at 3, indicates that post offices “were not providing the required level of security required by Postal regulations for registered mail.”

- (a) Case No. 040-1241887-PA(2) refers to handbook DM-901. If the DM-901 referenced in the case differs from the Domestic Mail Manual, DMM, please provide a copy of handbook DM-901.
- (b) Has the Northeast “Area” taken corrective action to provide the required level of security for registered mail? If so, please identify the corrective action taken. If not, please explain why none was taken.
- (c) Are all Postal Service “areas” currently providing the level of security for registered mail as required by “DM-901”? If not, please identify: (1) the number of areas out of compliance; (2) the number of transactions and the amount of revenue impacted and (3) the anticipated date corrective action will be taken to bring each “area” into compliance with DM-901. Provide specific cites to all source documents used in preparing your response and include a copy of each source referenced if one has not been previously filed in this docket.
- (d) Currently, are all Highway Contract Route drivers signing for registered mail as required by DM 901.43? If not, please explain why all such drivers are not signing for the registered mail placed in their possession.

OCA/USPS-T36-11. In FY 2000 and FY 2001, what volume of Certified Mail is processed on Delivery Point Sequence (DPS) automation equipment? Provide specific

cites to all source documents used in preparing your response and include a copy of each source used if one has not been previously filed in this docket.

OCA/USPS-T36-12. Please provide an explanation of all the mail processing steps a non-local destinating Certified Mail piece undergoes once it has been accepted by a USPS window clerk. Please include in your response an explanation of: (a) how the mail piece is processed on incoming and outgoing equipment, and (b) how the DPS equipment differentiates the routing of a non-Certified Mail piece versus a Certified Mail piece.

OCA/USPS-T36-13. Please explain how a mail carrier carries and is able to differentiate a Certified Mail piece from any other mail piece when the carrier is on the street. For example, is Certified Mail carried as a separate bundle? If so, in which of the carrier's three bundles is it?

OCA/USPS-T36-14. For FY 2000 and FY 2001, what proportion of Certified Mail transactions is delivered to a firm hold out?

OCA/USPS-T36-15. Please provide an explanation of how a Delivery Confirmation mail piece is processed once it is accepted by a local USPS window clerk and is destined for a non-local destination. Please include in your response an explanation of: (a) how the piece is processed on incoming and outgoing equipment; (b) where and when the mail piece is scanned, and (c) how the information on the final scan is

uploaded for “public” viewing. Provide specific cites to all source documents used in preparing your response and include a copy of each source document if one has not been previously filed in this docket.

OCA/USPS-T36-16. The following question refers to the way in which a mail carrier handles a Delivery Confirmation mail piece once the carrier is on the street. Is a Delivery Confirmation mail piece carried as a separate bundle? If not, please explain how a Delivery Confirmation mail piece is handled on a carrier's route.

OCA/USPS-T36-17. The following refers to the USPS Delivery Confirmation product offering.

- (a) What is the successful read rate for the Postal Service's initial scan?
- (b) For the initial scan, what is the average time delay between the initial scan and the ability of the customer to view the data collected via the Internet?
- (c) What is the successful read rate of the Postal Service's final scan?
- (d) For the final scan, what is the average time delay between the final scan and the ability of the customer to view the data collected via the Internet?
- (e) Does the Postal Service maintain a database of Delivery Confirmation comments and/or complaints? If so, please identify the name of the database.
- (f) What are the ten most frequently reported complaints made by customers regarding the Delivery Confirmation product offering?
- (g) What are the ten most frequently reported favorable comments made by customers regarding the Delivery Confirmation product offering?

(h) Why hasn't the Postal Service extended the Delivery Confirmation offering to First-Class letters?

OCA/USPS-T36-18. Does the Postal Service have a method of tracking the number and types of complaints made regarding Postal Service insurance?

- (a) If so, please identify the system used to track Postal Service insurance claim complaints.
- (b) If not, please explain why the Postal Service does not track insurance complaints.
- (c) For FY 2000 and FY 2001, please identify the ten most frequently reported customer complaints regarding Postal Service insurance.
- (d) For FY 2000 and FY 2001, please identify the ten most frequently reported favorable customer comments regarding Postal Service insurance.
- (e) Has the Postal Service performed any analysis or prepared any reports that addresses the types and number of complaints the Postal Service receives about insurance claims? If so, please provide a copy of all analyses or reports prepared. If none has been conducted, please explain why not.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with Rule 12 of the rules of practice.

Stephanie S. Wallace

Washington, D.C. 20268-0001
October 1, 2001