

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, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF OFFICE OF THE CONSUMER ADVOCATE
(OCA//USPS-1-2(a,b) AND 4-21a)

The United States Postal Service hereby provides its responses to the following interrogatories of Office of the Consumer Advocate: OCA/USPS-1-21, filed on September 28, 2001. OCA/USPS-2 (c,d) and 3 were redirected to USPS Witness Maura Robinson (USPS-T-29).

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


Michael Tidwell

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2998 Fax -5402
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**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE**

OCA/USPS-1 In First-Class Letters and Sealed Parcels, Regular, please confirm that there is substantial averaging of costs by shape (i.e., letter-shaped, flat-shaped, and nonletter/nonflat-shaped). If you do not confirm, please explain.

RESPONSE:

It can be confirmed that the costs for First-Class single-piece presort letters, flats, and sealed parcels are averaged and reported as First-Class Mail "single-piece letters" in the Cost and Revenue Analysis (CRA). It can also be confirmed that the costs for First-Class nonautomation presort letters, flats and sealed parcels are averaged and reported as part of First-Class Mail "presort letters" in the CRA. See USPS LR-J-2.

The use of the term "substantial" is questionable, however, as the vast majority (nearly 90%) of these mail pieces are letter-shaped. See USPS LR-J-112 Table 11.

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OCA/USPS-2

- (a) Please confirm that shape (i.e., letter-shaped, flat-shaped, and nonletter/nonflat-shaped) is a cost-driving factor in First-Class Letters and Sealed Parcels, Automation-Presort. If you do not confirm, please explain.
- (b) Please confirm that shape is a cost-driving factor in First-Class Letters and Sealed Parcels, Regular. If you do not confirm, please explain.
- (c) Please confirm that shape should be recognized in the rate structure of First-Class Letters and Sealed Parcels, Regular. If you do not confirm, please explain.
- (d) Please confirm that a more complex rate design (different rates for each weight/shape cell) for pieces weighing over one ounce would more closely align costs with rates. If you do not confirm, please explain.

RESPONSE:

- (a) It can be confirmed that shape is a cost driver for First-Class Mail single-piece and nonautomation presort letters, flats, and sealed parcels mail processing (USPS LR-J-53) and delivery unit costs (USPS LR-J-117).
- (b) It can be confirmed that shape is a cost driver for First-Class Mail automation presort letters, flats, and sealed parcels mail processing (USPS LR-J-53) and delivery unit costs (USPS LR-J-117).
- (c) Redirected to witness Robinson for response.
- (d) Redirected to witness Robinson for response.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
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OCA/USPS-4**

In the First-Class Letters and Sealed Parcels subclass,

- (a) Please confirm that as the weight of mail increases, the proportion of letter-shaped pieces decreases and the proportion of flat-shaped and nonletter/nonflat shaped pieces increases. If you do not confirm, please explain.
- (b) Please confirm that flat-shaped pieces are more costly to process and handle than letter-shaped pieces, and nonletter/nonflat-shaped pieces are more costly to process and handle than flat-shaped pieces. If you do not confirm, please explain.

RESPONSE:

- (a) In general, this can be confirmed. See USPS LR-J-112 Table 11.
- (b) Confirmed. This response assumes this question refers to the "processing and handling" costs associated with mail processing tasks. See USPS-T-15, Attachment 15, page 1.

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OCA/USPS-5 For First-Class 1) letters, 2) flats, and 3) nonletters/nonflats, please provide the manufacturer specified minimum and maximum length, height, weight, thickness and aspect ratio standards for any processing equipment to be deployed by the Postal Service through the test year.

RESPONSE:

Mail processing equipment manufacturers must design their equipment around the standards contained in the Domestic Mail Manual (DMM). Once this equipment is purchased and deployed, tests are not typically conducted to evaluate the extent to which specific pieces of equipment may be able to handle variations in DMM standards. If attempts were made to process mail that exceeds DMM standards on equipment designed around those standards, the equipment could be damaged. In addition, DMM standards are necessary to ensure that mail can be processed through the entire network. Consequently, the ability of one or more pieces of equipment to accommodate a small amount of variation is irrelevant.

Length, Thickness, and Height: Mail processing equipment manufacturers must design their equipment around the standards contained in the Domestic Mail Manual (DMM) section C050 Exhibit 2.0 for machinable letters, flats, and parcels.

Weight: Mail processing equipment manufacturers must design their equipment around the weight standards contained in DMM sections C810.2.4, C820.2.4 and C050.4.0 for machinable letters, flats, and parcels, respectively.

Aspect Ratio: The aspect ratio requirement applies to letters only. Mail processing equipment manufacturers must design their equipment around the standard contained in DMM section C810.2.2.

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OCA/USPS-6 Please refer to the testimony of Linda A. Kingsley (USPS-T-39) at page 2, lines 4-5.

- (a) Please define the term mailstream.
- (b) Is shape the defining characteristic of Postal Service processing mailstreams? Please explain.
- (c) Please confirm that there are only three distinct processing mailstreams, e.g., letters, flats and parcels. If you do not confirm, please explain.
- (d) Is manual processing considered a separate mailstream? Is manual processing of letters, flats and parcels considered three separate mailstreams? Please explain.
- (e) Is the processing of bundles, sacks and trays considered three separate mailstreams? Please explain.
- (f) Is Priority Mail considered a separate mailstream? Please explain.

RESPONSE:

(a) The term "mailstream" refers to a grouping of mail pieces based on specific mail piece characteristics. This term is typically used when referring to the processing steps required to sort and finalize the mail pieces within a given mailstream. The term is somewhat generic and can be used in many different contexts. For example, one could refer to the "letters mailstream" when referring to the processing steps required to sort and finalize all letters. One could also use this term in a more limited sense, such as the "First-Class single-piece letters mail stream."

(b) On a macro level, yes. On a micro level, there are mailstreams within the larger shape mailstream. For example, within letter processing, operations typically manages and thinks in terms of an automated and a manual mailstream.

(c) On a macro level, this can be confirmed, but not on a micro level. For example, parcels have various mailstreams depending on class and processing category (machinability). Within the larger overall parcel mailstream, there are

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*Package Services machinable, non-machinable, and irregular parcel
mailstreams, which differ from separate flows for First Class and Priority parcels.*

(d) Again, it depends on the context in which the term "mailstream" is being used. In most instances, it can be confirmed that manual letters, flats, and parcels are considered to be as few as three mailstreams. However, one could refer to the First-Class manual letters mailstream versus the Standard Mail manual letters mailstream when discussing the processing steps required to sort and finalize mailpieces.

(e) No. A "mailstream" typically refers to the mailpieces themselves, as defined by specific mailpiece characteristics. The operations required to process bundles, sacks, or trays would typically be subset of all mail processing operations required to sort and finalize the mail pieces in a given "mailstream," assuming the mail pieces within that mailstream were entered in bundles, sacks, or trays.

(f) Yes, in the context of mail processing operations.

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OCA/USPS-7. The following interrogatory refers to a case study, "Pushing the Envelope, The U.S. Postal Service Digs Deep to Deliver What Customers Really Want," by Francia Smith, Lizbeth Dobbins, and Janet Tonner. A copy of the article is attached. The case study indicates that "Postal Service managers have access to as many as 180,000 business-satisfaction surveys and 200,000 residential surveys every three months. And while customer satisfaction surveys have been around for a long time, what makes these different – and a great model for any service company – is that the results are linked by ZIP Code to precise locations and operations at the Postal Service."

- (a) Please provide copies of the 180,000 business-satisfaction surveys and 200,000 residential surveys that are performed every three months.
- (b) For each year and each three month period in FY 2000 and FY 2001, please provide by postal region, a copy of the survey results referred to in the case study.

RESPONSE:

- (a) Attached are a copy of the U.S. Postal Service Customer Satisfaction Survey (Attachment A) and a copy of the U.S. Postal Service Business Satisfaction Survey (Attachment B).
- (b) Objection and joint motion for protective conditions filed on October 9, 2001.

U.S. POSTAL SERVICE CUSTOMER SATISFACTION SURVEY

To be completed by an individual knowledgeable about the household's mail. Please base your answers only on *your household's direct experience during the past 30 days* – not on what you have heard from others, experienced in the workplace, learned from the news, or on experiences older than 30 days. Your answers to these questions will be kept confidential and will only be used to identify groups of similar respondents for statistical purposes.

Please follow the steps below carefully when completing this survey:

- Use a blue or black ink pen that does not soak through the paper.
- Make solid marks that fit in the response boxes. (Make no stray marks on the survey.)

RIGHT WAY ►



WRONG WAY ►



Mail You Receive

- 1 Based on your experiences during the *past 30 days*, please rate the Postal Service on each of the following aspects of your mail delivery. (PLEASE MARK ONE ANSWER BY PUTTING AN "X" IN THE APPROPRIATE BOX ☒ FOR EACH STATEMENT.)

	Excellent	Very Good	Good	Fair	Poor	Don't Know
a. Delivery of mail to the correct address	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Delivery of mail in good condition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Delivery of mail about the same time each day	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Carrier was professional and courteous	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. The security of your mail (that it will remain unopened and safe from theft and/or loss)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. The security of mail in your mailbox	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Overall quality of your mail delivery service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 2 During the *past 30 days*, have you experienced the following situation with Postal Service deliveries to your residence? (IF "NO," MARK THE "NOT AT ALL" BOX. IF "YES," MARK THE BOX ☒ INDICATING HOW MANY TIMES.)

In the past 30 days?	Not at all	Once	2-3 times	More than 3 times	Don't Know
a. Received mail intended for a different address	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Received statements, bills or correspondence addressed to a previous resident	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Received damaged mail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Received magazines or newspapers later than expected	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Received advertising mail too late to take advantage of coupons or sales	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Mail delivered after 5:00 p.m.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Carrier did not pick up your outgoing mail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Letter or package delivered to your home was left in an unsafe place	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 3 In the *past 30 days*, what happened if no one was at home when your Postal carrier had a package to deliver to your household? (MARK ONLY ONE.)

You got a notice of attempted delivery and...

- ☐ you picked up your package at the post office
☐ you requested redelivery

Carrier left the package...

- ☐ with someone (Examples: neighbor, rental office, etc.)
☐ in a locked box or locker
☐ for you (Examples: on porch, near mailbox, etc.)
☐ Not applicable, no package received (Go to Q #5)
☐ Not applicable, someone was home (Go to Q #5)

- 4 Thinking about your answer to question #3, please rate how well this delivery method met your needs.

Excellent	Very Good	Good	Fair	Poor	Don't Know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Mail You Send

- 5 Based on your experiences in the *past 30 days*, please rate the U.S. Postal Service on each of the following:

	Excel- lent	Very Good	Good	Fair	Poor	Does not apply
a. Ease of buying stamps	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Ease of mailing letters	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Ease of mailing a package	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Easy to decide which mailing options to use (Examples: Priority Mail, insurance, registered mail, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Ease of deciding which mailing form to use	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Ease of returning merchandise you ordered ...	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Convenient location of a post office	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Convenient location of a mail collection box	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Level of confidence that mail you send is received ...	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. The time it usually takes for a letter you send to be delivered in your local area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. The time it usually takes for a letter you send to be delivered in other parts of the country	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 6 Where do you normally buy stamps? (MARK THOSE THAT APPLY.)

- ☐ Post office counter
☐ Grocery store or other store
☐ Vending machine
☐ From carrier (where available)
☐ ATM
☐ Order by Mail
☐ Order by Telephone (1-800-STAMP24)
☐ Order by Internet (Stamps On Line)

- 7 How do you typically mail a package with the Postal Service? (MARK ONLY ONE.)

- ☐ Bring to post office counter
☐ Use self-service equipment at post office (vending, scales)
☐ Leave for carrier
☐ Call Postal Service to pick up
☐ Other
☐ Not Applicable

Post Office

- 8 During the *past 30 days*, how many times did you visit a post office? (MARK ONLY ONE.)

- ☐ Not at all (Go to Question #12)
☐ 1-2 times
☐ 3-5 times
☐ More than 5 times

- 9 During your *most recent* visit to the post office...

	Yes	No	Don't Know
a. Did the clerk greet you pleasantly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Did the clerk ask you questions to find out what you needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Was the clerk able to clearly explain the mailing services and products you needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Did the clerk suggest additional mailing services or products?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If "Yes," was the suggestion helpful? ...	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Did the clerk thank you?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Were stamp vending machines in working order?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 10** During your most recent visit to the post office, how long did you wait in line? (MARK ONLY ONE.)

☐ No wait/No line
☐ Less than 1 minute
☐ 1 – 3 minutes
☐ 4 – 5 minutes
☐ 6 – 10 minutes
☐ More than 10 minutes
☐ Don't know/Can't recall

- 11** Based on your experiences during the *past 30 days*, please rate the post office you have visited most often on each of the following...

[illegible]

- 12** If you know, provide the ZIP Code of the post office you visit most often.
Not sure/Don't know ☐

Other Postal Services

- 13** Please mark the one response which best describes where you normally receive your mail. (MARK ONLY ONE.)

- ☐ Individual mail slot or mailbox at your door
- ☐ Individual curbside mailbox
- ☐ Mailbox within cluster of boxes inside a building
- ☐ Mailbox within cluster of boxes outside a building or home
- ☐ In a box at a post office (P.O. box)
- ☐ Rented box somewhere other than at a post office

- 14** In the *past 30 days*, has anyone in your household completed a **change-of-address card** so that your mail would be forwarded to a different address, including a temporary or vacation address?

☐ Yes, for an individual
☐ Yes, for the household
☐ No (*Go to Question # 16*)

► If "Yes," please provide the 5-digit ZIP Code you forwarded your mail from.....

- 15** Please rate the Postal Service on:

[illegible]

- 16** During the *past 30 days*, have you contacted the Postal Service to get information or report a problem? (IF MORE THAN ONE CONTACT, PLEASE THINK OF MOST RECENT.)

☐ No (*Go to Question #19*)

☐ Yes, to get information

☐ Yes, to report a problem

- 17** Thinking of your most recent contact, how did you contact the Postal Service? (MARK ONE.)

- ☐ Telephoned post office
- ☐ Telephoned a toll-free number
- ☐ Written correspondence
- ☐ E-mail/Internet
- ☐ Went to Post Office
- ☐ Spoke with carrier

- 18** Thinking of your most recent contact, rate the Postal Service on:

[illegible]

- 19 Please rate the Postal Service advertising you have seen or heard in the past 30 days?
- | | | | | | |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Excel-
lent | Very
Good | Good | Fair | Poor | None
seen/
heard |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

- 20 Have you accessed any Postal Service Internet page in the past 30 days such as www.usps.com?
- ☐ Yes
- ☐ No, have not accessed site in past 30 days (Go to Q #21)
- ☐ No, have no Internet connection (Go to Q #21)

- ▶ If "Yes," please rate:
- | | | | | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | Excel-
lent | Very
Good | Good | Fair | Poor | Don't
Know |
| a. Usefulness of site | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Ease of finding the information you needed .. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Postal site(s) as compared to other sites ... | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Overall Performance

- 21 Thinking about all aspects of U.S. Postal Service performance during the past 30 days, please rate the service you have received.

Excellent	Very Good	Good	Fair	Poor	Don't Know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 22 Compared to other companies you have recently done business with (e.g., grocery stores, banks, department stores, other delivery services), rate the Postal Service on:

	Much better	Some- what better	About the same	Some- what worse	Much worse	Don't know
a. Waiting time in line ..	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Courteous and helpful employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Value for price	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Easy to use/ Convenient	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Services and products meet your needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Reliable service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Secure/Trusted	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Overall performance..	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 23 Thinking about the past 30 days, how satisfied are you with the U.S. Postal Service?

Very Satisfied	Somewhat Satisfied	Neither	Somewhat Dissatisfied	Very Dissatisfied	Don't Know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Demographics

- 24 Do you operate a business from your home?
☐ Yes ☐ No
- 25 Is anyone in your household employed by the U.S. Postal Service or by a national company which specializes in shipping or delivery of mail or packages?
☐ Yes ☐ No
- 26 About how many packages or pieces of mail do you send in an average month using the Postal Service? (MARK ONE)
- | | |
|---------------------------------------|--|
| <input type="checkbox"/> 0-10 pieces | <input type="checkbox"/> 21 or more pieces |
| <input type="checkbox"/> 11-20 pieces | <input type="checkbox"/> Don't know |
- 27 Which do you use more frequently to mail packages?
☐ Postal Service ☐ Other delivery service
- 28 Have you purchased any merchandise over the Internet in the past 30 days?
☐ Yes ☐ No
- 29 What is your age?
- | | |
|---|--------------------------------------|
| <input type="checkbox"/> Under 25 years | <input type="checkbox"/> 45-54 years |
| <input type="checkbox"/> 25-34 years | <input type="checkbox"/> 55-64 years |
| <input type="checkbox"/> 35-44 years | <input type="checkbox"/> 65 or older |
- 30 Gender? ☐ Male ☐ Female
- 31 What is the highest level of education that you have completed?
- ☐ Did not complete high school
- ☐ High school graduate/GED
- ☐ Some college or technical school
- ☐ Undergraduate degree
- ☐ Graduate degree
- 32 Would you allow the Postal Service to contact you via e-mail with additional questions to improve service? (INFORMATION WILL NOT BE SHARED OUTSIDE THE POSTAL SERVICE.)
- ☐ Yes What is your e-mail address?
- ☐ No
- 33 Additional comments:
Is this a: ☐ Compliment ☐ Suggestion ☐ Problem

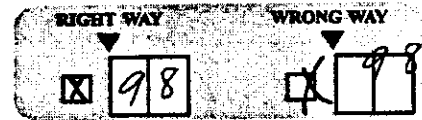
Thank you for completing this survey!

U.S. Postal Service Business Customer Satisfaction Survey

Survey Instructions

Please follow the steps below carefully when completing this survey.

- Use a blue or black ink pen that does not soak through the paper.
- Make solid marks that fit in the response boxes. (Make no stray marks on the survey.)



General Ratings

- 1** Thinking about the service your business received from the U.S. Postal Service in the past 30 days, how would you rate the U.S. Postal Service on each of the following: (PLEASE MARK ONE ANSWER BY PUTTING AN "X" IN THE APPROPRIATE BOX ☒ FOR EACH STATEMENT.)

	Excellent	Very Good	Good	Fair	Poor	Don't Know
a. Providing products and services to meet the needs of your business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Having rules and regulations that are easy to understand	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Having employees who interpret rules and regulations consistently	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Providing products and services that are a good value for the price	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Notifying your business of changes to rules and regulations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Having employees who go out of their way to meet your mailing needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Having courteous and friendly employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Having employees who are knowledgeable about U.S. Postal Service products and services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1 (continued)

	Excellent	Very Good	Good	Fair	Poor	Don't Know
i. The length of time it usually takes for a First-Class letter mailed in your local area to be delivered in your local area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. The length of time it usually takes for a First-Class letter mailed in your local area to be delivered in other parts of the country	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Delivery of mail to the correct address	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l. Delivery of mail in good condition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
m. The security of First-Class mail (that your mail will remain unopened and safe from theft and loss)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 2** Based on your company's experiences in the past 30 days, please rate the following U.S. Postal Service facilities.

	Excellent	Very Good	Good	Fair	Poor	Cannot Rate
a. Post Office your business uses most	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Postal Business Center	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Business Mail Entry Unit (BMEU)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Rates and Classification Center	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

please continue on next page ↑

Mail Your Business Receives

3 Thinking about mail delivered to your company by a U.S. Postal Service carrier during the past 30 days, how would you rate the U.S. Postal Service on

	Excellent	Very Good	Good	Fair	Poor	Don't Know
a. Time of day mail is delivered to your location	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Consistency of delivering mail to your location within a half hour of the same time each day	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Appearance of your letter carrier	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4 During the past 30 days, did you typically receive your mail at this location

- ☐ Before noon
☐ After noon
☐ Carrier does not deliver mail to this location
☐ Don't Know

5 During the past 30 days (If "No," MARK THE "NOT AT ALL" BOX. If "YES," MARK THE BOX INDICATING HOW MANY TIMES.)

How often in past 30 days?	Not at all	Once	2-3 times	More than 3 times	Don't Know
a. Have you received mail intended for a different address?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Have you received damaged mail?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6 During the past 30 days, has any of your business's mail been delivered to a Postal Service post office box?

- ☐ Yes ☐ No (please go to Question #7.)

If "Yes," have the following occurred in the past 30 days? (If "No," MARK THE "NOT AT ALL" BOX. If "YES," MARK HOW MANY TIMES.)

How often in past 30 days?	Not at all	Once	2-3 times	More than 3 times	Don't Know
a. Delivery of mail later than the posted time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Received mail not addressed to your post office box	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7 Does your business use caller service for receiving mail?

- ☐ Yes ☐ No

Mail Your Business Sends

8 Thinking about the mail your company sent through the U.S. Postal Service in the past 30 days, how would you rate the U.S. Postal Service on

Outgoing Mail	Excellent	Very Good	Good	Fair	Poor
a. Convenience of mail pick up times	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Reliability of mail pick up times	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Number of pick up times	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9 Based on your company's experience in the past 30 days, please rate the following U.S. Postal Service products and services your business used for sending mail

	Excellent	Very Good	Good	Fair	Poor	Did Not Use
a. Priority Mail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Express Mail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Full rate First-Class Mail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Discounted First-Class Mail (presorted, bar-coded)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Periodicals (e.g., magazines, newspapers)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Standard Mail (A) (advertising)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Standard Mail (B) (parcels)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. International Mail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

10 During the past 30 days, have you experienced errors by the U.S. Postal Service in processing money in your postage account(s)?

- ☐ Never
☐ Once a week or less
☐ 2 to 3 times a week
☐ Nearly every day
☐ Not Applicable

Post Office Experiences

11 During the past 30 days, how many times did you visit a post office for business needs?

- ☐ Not at all (please go to Question #14.)
☐ 1-2 times
☐ 3-5 times
☐ More than 5 times

12 What is the ZIP Code of the post office you visit most?

--	--	--	--	--	--

- ☐ Don't know

13 Please rate the post office you visit most on:

- a. Convenience of hours when post office is open ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
- b. Waiting time in line ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
- c. Helpfulness of window clerks ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

Contact with the USPS

14 In the past 30 days, have you contacted the U.S. Postal Service about any aspects of your service?

- ☐ Yes ☐ No (please go to Question #18)

15 Who was the contact with?

(MARK ALL THAT APPLY)

- ☐ Postal Carrier
☐ Account Representative
☐ Consumer Affairs Office
☐ Personnel at Business Mail Entry Unit
☐ Personnel at your local postal office
☐ National Service Center (Call Center)
☐ Postmaster
☐ Postal Business Center
☐ Other _____

16 What was the purpose of the contact?

(MARK ALL THAT APPLY)

- ☐ To request information about U.S. Postal Service products or services
☐ To seek clarification/information on U.S. Postal Service rules or regulations
☐ To seek assistance on a business mailing problem
☐ To make a complaint
☐ Other _____

17 Please rate the U.S. Postal Service on:

- a. Ease of getting through to a person when you phoned ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
- b. Ability to meet your needs/solve your problem ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
- c. Accuracy of the information you received ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
- d. Speed with which your request/complaint was handled ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

Bulk Rate/Discounted Mail

18 In the past 30 days, has your company sent out any bulk rate or other discounted mail, such as presorted or prebarcoded mail? (PLEASE INCLUDE MAIL SENT THROUGH A THIRD PARTY/VENDOR)

- ☐ Yes ☐ No (please go to Question #20)

19 Please rate the U.S. Postal Service on:

- a. Providing you with the equipment needed for preparing mailings ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
- b. Level of service provided by employees accepting mailings ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
- c. Delivering mail within the expected number of days ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

Questions to Classify Your Answers

20 Which one of the following job titles best describes your position?

- ☐ Corporate Officer/Owner
☐ Financial Operations
☐ Mail Operations
☐ Administrative/Clerical
☐ Other _____

21 The following are business purposes for sending mail via the U.S. Postal Service. Please indicate which three business purposes best describe how the mail is used by your business. (MARK UP TO THREE THAT APPLY)

- ☐ Payments
☐ Catalogs
☐ Newspapers
☐ Communications
☐ International
☐ Direct Mail
☐ Magazines
☐ Retail products & services
☐ Two-Day Delivery
☐ Standard Delivery (parcels)
☐ Bills and Statements (e.g., accounts, invoices)
☐ Overnight Package Delivery (e.g., Express Mail)
☐ Reduced rate packages (library rate)
☐ Other _____

22 Please estimate your location's annual expenditures on U.S. Postal Service products and services.

- ☐ Less than \$1,000 ☐ \$50,000 - \$99,999
☐ \$1,000 - \$9,999 ☐ \$100,000 or more
☐ \$10,000 - \$49,999 ☐ Don't know

please continue on next page ↑

- 23** Do you prepare or send mail for other companies?
☐ Yes ☐ No
- 24** Do you contract with an outside company (e.g., presort house, mailing service, or printer) to prepare or send mail for your company?
☐ Yes ☐ No (please go to Question #26)
- 25** How much of your mail is prepared and/or sent by an outside company?
☐ 0% - 25% ☐ 51% - 75%
☐ 26% - 50% ☐ 76% - 100%

Overall Performance

- 26** Thinking about all aspects of U.S. Postal Service performance during the past 30 days, please rate the service your business has received?
☐ Excellent
☐ Very Good
☐ Good
☐ Fair
☐ Poor
☐ Don't Know
- 27** Do you intend to increase your use of the following products and services over the next 12 months?
- | | Yes | No | Do not currently use |
|--|--------------------------|--------------------------|--------------------------|
| a. Priority Mail | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Express Mail | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Standard Mail (A) (advertising) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Standard Mail (B) (parcels) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
- 28** Would you recommend the following products and services to your business associates?
- | | Yes | No | No experience with product |
|--|--------------------------|--------------------------|----------------------------|
| a. Priority Mail | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Express Mail | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Standard Mail (A) (advertising) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Standard Mail (B) (parcels) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

- 29** During the past 30 days, have you experienced serious problems with Postal Service products or services? (If "No," MARK THE "NOT AT ALL" BOX. If "Yes," MARK THE BOX INDICATING HOW MANY TIMES.)
☐ Not at all
☐ Once
☐ 2-3 times
☐ More than 3 times
☐ Don't know
- 30** If "Yes," please describe problem(s).

- 31** What, if anything, could the U.S. Postal Service do to increase your overall satisfaction with the quality of products and services it provides to your company.

Your answers to these questions will be kept confidential and will only be used to identify groups of similar respondents for statistical purposes.

Thank you for completing this survey!

Please return completed survey to:
 The Gallup Organization
 P.O. Box 82570
 Lincoln, NE 68501-9571

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE**

OCA/USPS-8 Please refer to the testimony of Linda A. Kingsley (USPS-T-39) at pages 9 and 10, lines 21-30, and 1-9, respectively.

- (a) For each bulleted item, (i) give an example, (ii) provide the volume, or an estimate of the volume, or a percentage of the manual letter-shaped volume, and (iii) the unit cost of processing.
- (b) Bullet six identifies nonmachinable letter-shaped mailpieces that do not bend in transport. Are there other types of letter-shaped mailpieces processed manually because of problems in transport (e.g., glossy envelopes)? Please explain.
- (c) Has the Postal Service become aware of any other examples of nonmachinable letter-shaped mailpieces since the preparation of her testimony?

RESPONSE:

- (a) The criteria referenced in witness Kingsley's testimony pertain to the mail piece characteristics that influence the machinability of letter-size mail.

<u>Category</u>	<u>Example(s)</u>
(i) Nonstandard aspect ratio	square greeting card or a long and short "bookmark-type" item
Polybagged/wrapped items	cards or inserts that are combined and enclosed in shrinkwrap or polywrap instead of an envelope
Closure devices	protrusions like a button, string, or clasp on an inter-office or flat envelope
Non-rectangular mail piece	round, irregular, triangular

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE**

RESPONSE TO OCA/USPS-8 (Continued)

Rigid enclosures	pencils, pens, loose coins
Overly stiff mail pieces	metal insert or plastic "jewel-type" case
Flimsy mail pieces	tissue-type paper with pull-out type insert
Mis-oriented address	address parallel to shortest (instead of longest) dimension
Folded short edge	short piece that is long and folded in half
Booklets with bound short edge	small catalogue
Glossy postcards	postcard with glossy picture image on non- address/message side
Labeled "manual only" processing	for marketing purposes, mailer wants the piece to "open up" in recipient's hand when they pick it up, to prompt a higher response rate

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE**

RESPONSE TO OCA/USPS-8 (Continued)

- (ii) Data are only available for letters that do not meet the aspect ratio requirement. The FY 2000 volume is 61,785,883 (USPS LR-J-60, page 45).
 - (iii) Data are only available for letters that do not meet the aspect ratio requirement. The test year 2001 unit cost estimate is 18.934 cents (USPS LR-J-60, page 45)
- (b) Virtually all of the items listed in the reference above either impact or are impacted by the transport belts, except letters with mis-oriented addresses, glossy postcards and trays labeled for "manual only" processing.
- (c) Not at this time. The vast majority of the list came from requirements in DMM C810.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF
OFFICE OF THE CONSUMER ADVOCATE**

OCA/USPS-9. Please refer to the testimony of Linda A. Kingsley (USPS-T-39) at page 5, footnote 9. Please confirm that the increase from 68 percent currently to an expected 93 percent in FY 03 is reflected in the roll forward. If you do not confirm, please explain.

Response: Confirmed.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE**

OCA/USPS-10 Please refer to the testimony of Linda A. Kingsley (USPS-T-39) at page 11, lines 14-15.

- (a) Please confirm that 8.9 percent of all letters in AP12, FY 01 did not have 9- or 11-digit barcodes. If you do not confirm, please explain.
- (b) Please confirm that the 8.9 percent of all letters not barcoded to nine or eleven digits are processed manually. If you do not confirm, please explain.
- (c) Please identify what factors are preventing the 8.9 percent of all letters not currently barcoded from being barcoded, and describe how the Postal Service plans to have barcodes applied to these letters.

RESPONSE:

- (a) Confirmed.
- (b) Not confirmed. Letters without nine-digit or eleven-digit barcodes may be processed manually through some operations, but not necessarily all operations. For example, letters with 5-digit barcodes can still be sorted to the ZIP Code in automated outgoing or incoming primary operations, but would then have to be processed manually in an incoming secondary operation.
- (c) Not all zones are sorted to carrier route on automation due to their very small size or distance from a facility with automation. In these instances, only a 5-digit barcode would be necessary. USPS-T-39 (page 11, lines 23-24) states that, of the automation incoming secondary volume, four percent is sorted to 5-digit. Factors that prevent all letters from being barcoded for automated zones include, but are not limited to, pieces that are non-machinable or contain insufficient address information. The Postal Service's proposal to surcharge non-machinable letters may shift more letter volume to meet machinable characteristics and hence more barcodes.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF
OFFICE OF THE CONSUMER ADVODCATE**

OCA/USPS-11. Please refer to the testimony of witness Linda A. Kingsley (USPS-T-39) at page 23, lines 11-12, which states that the Linear Integrated Parcel Sorters (LIPS) machine "is not part of a national program and is procured locally."

- a. Please identify all processing equipment "not part of a national program" that is used in the processing of First-Class Mail.
- b. For each piece of processing equipment identified in part (a) of this interrogatory, please provide the manufacturer specified minimum and maximum length, height, weight, thickness and aspect ratio standards for 1) letters, 2) flats, and 3) nonletters/nonflats.

Response:

- a. The LIPS program and a mixed mail sorter (handles letters and flats) are the only locally procured equipment purchased by the field.
- b. See response to OCA/USPS-5.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE**

OCA/USPS-12 Please refer to the testimony of Michael Miller (USPS-T-22), and USPS LR-J-60, Part A., "First-Class Mail Letters/Cards." There are 17 cost model spreadsheets for letters/cards: First-Class Single-Piece Handwritten Letters; First-Class Single-Piece QBRM Letters; First-Class Single-Piece Metered Letters; First-Class Mail Nonauto Machinable Mixed Mix AADC/AADC Presort Letters; First-Class Mail Nonauto Machinable 3-Digit Presort Letters; First-Class Mail Nonauto Nonmachinable MACD Presort Letters; First-Class Mail Nonauto Nonmachinable ADC Presort Letters; First-Class Mail Nonauto Nonmachinable 3-Digit Presort Letters; First-Class Mail Nonauto Nonmachinable 5-Digit Presort Letters; First-Class Mail Auto Mixed Mix AADC Presort Letters; First-Class Mail Auto Presort Letters; First-Class Mail Auto 3-Digit Presort Letters; First-Class Mail Auto 5-digit Presort Letters (Other Sites); First-Class Mail Auto 5-Digit Presort Letters (CSBCS/Manual Sites); First-Class Mail Auto Carrier Route Presort Letters; First-Class Mail Nonstandard Single-Piece Letters; and, First-Class Mail Nonstandard Presort Letters. Each cost model spreadsheet identifies the following operations: Entry Activities; Outgoing RBCS; Outgoing Primary; Outgoing Secondary; Incoming RBCS; Incoming MMP; Incoming SCF/Primary; 5-Digit Barcode Sort; and Incoming Secondaries.

- (a) Please identify each piece of mail processing equipment for each operation in the 17 cost model spreadsheets.
- (b) For each piece of mail processing equipment identified in response to part (a), please provide the manufacturer specified minimum and maximum length, height, weight, thickness and aspect ratio standards for First-Class letter-shaped mail.
- (c) Please identify all instances where the manufacturer specified minimum and maximum length, height, weight, thickness and aspect ratio standards for First-Class letter-shaped mail provided in response to part (b) are greater than the standards for First-Class letter-shaped mail contained in the DMCS and DMM.
- (d) Please confirm that the 17 cost model spreadsheets represent different mailstreams for the processing of all letter-shaped First-Class Mail. If you do not confirm, please explain and identify all mailstreams for the processing of letter-shaped First-Class Mail.

RESPONSE:

- (a) Each cost spreadsheet in USPS LR-J-60 contains the identical operations.

As shown below, the operations listed next to the same reference number use the same equipment. In addition, this list does not include all support equipment.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE
RESPONSE TO OCA/USPS-12 (Continued)**

<u>Operation</u>	<u>Equipment</u>
(1) Package sorting	Conveyors, hampers, pouch racks
(2) Outgoing ISS/RCR Incoming ISS/RCR	AFCS-ISS: USPS-T-39, page 3 at 20 DIOSS: USPS-T-39, page 9 at 21 MLOCR-ISS: USPS-T-39, page 4 at 17 RCR: USPS-T-39, page 5 at 21
(3) Outgoing REC Incoming REC	Video Display Terminals (VDT): USPS-T-39, page 5 at 20
(4) Outgoing OSS Incoming OSS	DBCS-OSS: USPS-T-39, page 6 at 20 DIOSS: USPS-T-39, page 9 at 21 MPBCS-OSS: USPS-T-39, page 5 at 24
(5) Outgoing LMLM Incoming LMLM	LMLM: USPS-T-39, page 7 at 30
(6) Outgoing Primary (Auto) Outgoing Secondary (Auto) Incoming MMP (Auto) Incoming SCF/Primary (Auto)	DBCS: USPS-T-39, page 6 at 9 MPBCS: USPS-T-39, page 7 at 14
(7) Outgoing Primary (Manual) Outgoing Secondary (Manual) Incoming MMP (Manual) Incoming SCF/Primary (Manual)	Letter Cases: USPS-T-39, page 10 at 24
(8) 5-Digit Barcode Sort	DBCS: USPS-T-39, page 6 at 9 MPBCS: USPS-T-39, page 7 at 14
(9) Auto Carrier Route	DBCS: USPS-T-39, page 6 at 9 MPBCS: USPS-T-39, page 7 at 14
(10) Auto 3-Pass DPS	CSBCS: USPS-T-39, page 7 at 1
(11) Auto 2-Pass DPS	DBCS: USPS-T-39, page 6 at 9 MPBCS: USPS-T-39, page 7 at 14
(12) Man Inc Sec (Plant) Man Inc Sec (DU)	Letter Cases
(13) Box Section Sort	Letter Cases

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE
RESPONSE TO OCA/USPS-12 (Continued)**

(b), (c) See response to OCA/USPS-5.

(d) It is not possible to either confirm or not confirm this statement. As discussed in the response to OCA/USPS-6(a), the term "mailstream" is a generic term that can be used in several different contexts. The cost models that are contained in USPS LR-J-60 were created to support specific rate proposals in this docket and are not an exhaustive list of models that could be used to depict every possible grouping ("mailstream") for letters and cards.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE**

OCA/USPS-13 Please refer to the testimony of Michael Miller (USPS-T-24), and USPS LR-J-61, Part A., "First-Class Mail Flats." There are nine cost model spreadsheets for flats: Nonauto Presort; Mixed ADC Nonauto Presort; ADC Nonauto Presort; 3-Digit Nonauto Presort; 5-Digit Nonauto Presort; Mixed MADC Auto Presort; ADC Auto Presort; 3-Digit Auto Presort; 5-Digit Auto Presort. Each cost model spreadsheet identifies the following operations: Outgoing primary Package); Incoming MMP (Package); Incoming Primary (Package); Incoming Secondary (Package); Outgoing Primary (Piece); Outgoing Secondary (Piece); Incoming MMP (Piece); Incoming SCF (Piece); Incoming Primary (Piece); and, Incoming Secondary (Piece).

- (a) Please identify each piece of mail processing equipment for each operation in the 9 cost model spreadsheets.
- (b) For each piece of mail processing equipment identified in response to part (a), please provide the manufacturer specified minimum and maximum length, height, weight, thickness and aspect ratio standards for First-Class flat-shaped mail.
- (c) Please identify all instances where the manufacturer specified minimum and maximum length, height, weight, thickness and aspect ratio standards for First-Class flat-shaped mail provided in response to part (b) are greater than the standards for First-Class flat-shaped mail contained in the DMCS and DMM.
- (d) Please confirm that the nine cost model spreadsheets represent different mailstreams for the processing of all flat-shaped First-Class Mail. If you do not confirm, please explain and identify all mailstreams for the processing of flat-shaped First-Class Mail.

RESPONSE:

(a) Each cost spreadsheet in USPS LR-J-61 contains the same operations. As shown below, the operations listed next to the same number use the same equipment. In addition, this list does not include all support equipment.

<u>Operation</u>	<u>Equipment</u>
(1) Package sorting Mechanized (All processing levels)	LIPS: USPS-T-39, page 23 at 11 SPBS: USPS-T-39, page 22 at 26
(2) Package sorting Manual (All processing levels)	Conveyors, hampers, pouch racks USPS-T-39, page 24 at 1.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE
RESPONSE TO OCA/USPS-13 (Continued)**

<u>Operation</u>	<u>Equipment</u>
(3) AFSM100 Auto (All processing levels)	AFSM100: USPS-T-39, page 15 at 20
(4) VCS Keying (All processing levels)	Video Display Terminals (VDT): USPS-T-39, page 15 at 27
(5) FSM881 Auto (All processing levels)	FSM881: USPS-T-39, page 14 at 23
(6) FSM1000 Auto (All processing levels) FSM1000 Keying (All processing levels)	FSM1000: USPS-T-39, page 15 at 4
(7) Manual (All processing levels)	Flats Cases: USPS-T-39, page 17 at 14

(b), (c) See response to OCA/USPS-5.

(d) It is not possible to either confirm or not confirm this statement. As discussed in the response to OCA/USPS-6(a), the term "mailstream" is a generic term that can be used in several different contexts. The cost models that are contained in USPS LR-J-60 were created to support specific rate proposals in this docket and are not an exhaustive list of models that could be used to depict every possible grouping ("mailstream") for flats.

**RESPONSE OF UNITED STATES POSTAL SERVICE TO INTERROGATORY OF THE
OFFICE OF THE CONSUMER ADVOCATE**

OCA/USPS-14: Please provide a copy of the USPS window clerk training manual. Include in your response all information, scripts, and other material developed to implement the Postal Service's "greet, inquire, suggest, thank (GIST) system of quality retail service. " See Docket No. R2000-1, USPS-LR-I-200 at 3.

RESPONSE:

The requested materials are being filed as USPS-LR-J-144, Window Clerk Training Materials, Provided in Response to OCA/USPS-14.

Response of United States Postal Service
to
Interrogatories of Office of the Consumer Advocate

OCA/USPS-15. Please provide tabulations of **total base-year revenue and volume-variable costs** by the following categories of **First-Class Letters and Sealed Parcels**. If data for some cells of the tabulations are not available, please provide the most recent available data for as many cells as possible. If any of the requested information has already been filed, please provide a citation (by tabulation cell) to document title, page number, line number, and column number. This information is sought for use in preparation of the OCA's direct case. Accordingly, it is not directed to any particular witness.

- (a) All mail.
- (b) Please provide a break-down of the response to Part *a* of this interrogatory by shape (*i.e.*, by letter-shaped mail, flat-shaped mail, and non-letter/non-flat mail).
- (c) Please provide a break-down of the response to Part *b* of this interrogatory on the basis of whether mail is subject to the non-standard surcharge.
- (d) Please provide a break-down of the response to Part *c* of this interrogatory by whether mail is discounted.
- (e) Please provide a break-down of the response to Part *d* of this interrogatory by whether mail is automation compatible.
- (f) Please provide a break-down of the response to Part *b* of this interrogatory by whether mail is discounted.
- (g) Please provide a break-down of the response to Part *b* of this interrogatory by whether mail is automation compatible.
- (h) Please provide a break-down of the response to Part *f* of this interrogatory by whether mail is automation compatible.
- (i) Please provide a break-down of the response to Part *g* of this interrogatory by whether mail is discounted.
- (j) Please provide a break-down of the response to Part *h* of this interrogatory on the basis of whether mail is subject to the non-standard surcharge.
- (k) Please provide a break-down of the response to Part *i* of this interrogatory on the basis of whether mail is subject to the non-standard surcharge.

Response of United States Postal Service
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Response:

- (a) The total base year postage revenue for First-Class Letters and Sealed Parcels is \$34,327.1 million. See Direct Testimony of Bradley V. Pafford (USPS-T-3), Table 1 page 9. This estimate is obtained by adding Single Piece First-Class Letters, Flats and IPPs, Total Presort Non-Cards and Auto Carrier Route Presort Letters. Total base year volume variable costs of \$16,935.2 million for First-Class Letters and Sealed Parcels can be found in Exhibit C, column C, of USPS-T-11.
- (b) The requested revenue breakdown is \$29,325.6 for letters, \$5,336.0 million for flats and \$671.6 million for non-letter, non-flat mail. The requested cost breakdown will be filed in LR-J-105. See also USPS LR-J-46.
- (c) The requested revenue breakdown for the portion of the figure subject to the nonstandard surcharge is \$33.7 million for letters, \$205.9 million for flats and \$25.0 million for non-letter, non-flat mail. The requested cost breakdown for flats and parcels will be filed in LR-J-105. See also USPS LR-J-46. The requested cost breakdown for letters is not available.
- (d) The requested revenue breakdown for the discounted portion of the figure subject to the non-standard surcharge is \$5.6 million for letters, \$37.2 million for flats and \$2.3 million for non-letter, non-flat mail. The requested

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cost breakdown for flats and parcels will be filed in LR-J-105. See also USPS LR-J-46. The requested cost breakdown for letters is not available.

- (e) No data are available by the category "automation compatible."
- (f) The requested revenue breakdown for the portion of the figure in OCA/USPS-15b that is discounted is \$12,129.6 million for letters, \$537.3 million for flats and \$6.2 million for non-letter, non-flat mail. Except for the QBRM discounted mail that is included in First-Class Single Piece, the requested cost breakdown for the portion of the figure in OCA/USPS-15b that is discounted will be filed in LR-J-105. See also USPS LR-J-46.
- (g) see e) above.
- (h) See e) above.
- (i) See e) above.
- (j) See e) above.
- (k) See e) above.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
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OCA/USPS-16. Please provide tabulations of total **test-year** revenue and volume-variable costs on the bases requested in Interrogatory OCA/USPS-15. This information is sought for use in preparation of the OCA's direct case. Accordingly, it is not directed to any particular witness.

Response:

a) Test year postage revenue for First-Class Letters Subclass by Rate Category can be found on page 1 of 2 of Attachment D of the testimony of witness Robinson (USPS-T-29). The volume variable costs for First-Class Single Piece Letters and Presort Letters can be found in witness Patelunas's (USPS-T-12) Exhibit USPS-12G (Current Rates) and Exhibit USPS-12I (After Rates).

b) Please refer to page 1 of 2 of Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue is available. For available cost data, please refer to USPS-LR-58. The data for Single-Piece Letters can be found in workbook Lr58asp.xls on the following sheets:

SP Letters (detailed)	SP Letters (combined)
SP Flats (detailed)	SP Flats (combined)
SP Parcels (detailed)	SP Parcels (combined).

The data for Presort Letters can be found in workbook Lr58PRE.xls on the following sheets:

Presort Letters (detailed)	Pre Letters (combined)
Presort Flats (detailed)	Pre Flats (combined)
Presort Parcels (detailed)	Pre Parcels (combined).

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
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Response continued:

- c) Please refer to the information provided in response to part b) of this question -- all First-Class flats and parcels weighing less than one ounce are, by definition, nonstandard. The data are not available for nonstandard letters.
- d) Please refer to page 1 of 2 Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue is available. The requested cost data are the presorted portion of the First-Class flats and parcels weighing less than one ounce that was provided in response to part c) of this question.
- e) Please refer to page 1 of 2 Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue is available. No cost data are available by the category "automation compatible."
- f) Please refer to page 1 of 2 Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue is available. Except for the QBRM discounted mail that is included in First-Class Single Piece, the requested cost data is the presorted portion of the First-Class mail that was provided in response to part b) of this question.
- g) Please refer to page 1 of 2 Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue is available. No cost data are available by the category "automation compatible."

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Response continued:

h) Please refer to page 1 of 2 Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue is available. No cost data are available by the category "automation compatible."

i) Please refer to page 1 of 2 Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue is available. No cost data are available by the category "automation compatible."

j) Please refer to page 1 of 2 Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue is available. No cost data are available by the category "automation compatible."

k) Please refer to page 1 of 2 Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue is available. No cost data are available by the category "automation compatible."

Response of United States Postal Service
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OCA/USPS-17. Please provide tabulations of **base-year rates (or average revenue per piece) and unit volume-variable costs** for the categories of First-Class Letters and Sealed Parcels on the bases requested in interrogatory OCA/USPS-15. This information is sought for use in preparation of the OCA's direct case. Accordingly, it is not directed to any particular witness.

Response:

- (a) Total base year postage revenue per piece for First-Class Letters and Sealed Parcels is \$0.35. See Direct Testimony of Bradley V. Pafford (USPS-T-3), Table 1 page 9, as discussed in OCA/USPS-15a and Table 2 page 11. The base year average unit volume variable cost of \$0.173 for First-Class Letters and Sealed Parcels can be found in Exhibit C, column E of USPS-T-11.
- (b) The requested breakdown of the figure in OCA/USPS-17a is \$0.30 for letters, \$0.96 for flats and \$1.34 for non-letter, non-flat mail. The requested cost breakdown will be filed in LR-J-105. See also USPS LR-J-46.
- (c) The requested breakdown for the revenue subject to the non-standard surcharge is \$0.44 for letters, \$0.44 for flats and \$0.50 for non-letter, non-flat mail. The requested cost breakdown for flats and parcels can be found in LR-J-105. See also USPS LR-J-46. The requested cost breakdown for letters is not available.
- (d) The requested breakdown for the discounted portion of the revenue subject to the non-standard surcharge is \$0.38 for letters, \$0.34 for flats

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and \$0.38 for non-letter, non-flat mail. The requested cost breakdown for flats and parcels will be filed in LR-J-105. See also USPS LR-J-46. The requested cost breakdown for letters is not available.

- (e) No data are available by the category "automation compatible."
- (f) The requested breakdown for the portion of the figure in OCA/USPS-17b that is discounted is \$0.27 for letters, \$0.73 for flats and \$0.62 for non-letter, non-flat mail. Except for the QBRM discounted mail that is included in First-Class Single Piece, the requested cost breakdown for the portion of the figure in OCA/USPS-15b that is discounted will be filed in LR-J-105. See also USPS LR-J-46.
- (g) See e) above.
- (h) See e) above.
- (i) See e) above.
- (j) See e) above.
- (k) See e) above.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF
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OCA/USPS-18. Please provide test-year rates (or average revenue per piece) and unit volume-variable costs for the categories of First-Class Letters and Sealed Parcels on the bases requested in interrogatory OCA/USPS-15. This information is sought for use in preparation of the OCA's direct case. Accordingly, it is not directed to any particular witness.

Response:

- a) Please refer to page 1 of 2 of Attachment D of the testimony of witness Robinson (USPS-T-29) for test year postage revenue and volume for First-Class Letters Subclass by Rate Category. Please refer to witness Patelunas's (USPS-T-12) Exhibit USPS-12G (Current Rates) and Exhibit USPS-12I (After Rates) for the volume variable costs for First-Class Single Piece Letters and Presort Letters, and Exhibit USPS-12A for the associated volumes.
- b) Please refer to page 1 of 2 of Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue and associated volume is available. Please refer to the response to OCA/USPS-16b) for the available cost data.
- c) Please refer to page 1 of 2 of Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue and associated volume is available. Please refer to the response to OCA/USPS-16c) for the available cost data.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
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Response continued:

- d) Please refer to page 1 of 2 of Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue and associated volume is available. Please refer to the response to OCA/USPS-16d) for the available cost data.
- e) Please refer to page 1 of 2 Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue and associated volume is available. No cost data are available by the category "automation compatible."
- f) Please refer to page 1 of 2 of Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue and associated volume is available. Please refer to the response to OCA/USPS-16f) for the available cost data.
- g) Please refer to page 1 of 2 Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue and associated volume is available. No cost data are available by the category "automation compatible."
- h) Please refer to page 1 of 2 Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue and associated volume is available. No cost data are available by the category "automation compatible."
- i) Please refer to page 1 of 2 Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue and associated volume is available. No cost data are available by the category "automation compatible."
- j) Please refer to page 1 of 2 Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue and associated volume is available. No cost data are available by the category "automation compatible."

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
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Response continued:

k) Please refer to page 1 of 2 Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue and associated volume is available. No cost data are available by the category "automation compatible."

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OCA/USPS-19. Please provide the tabulations requested in interrogatories OCA/USPS-15-18 separately for First-Class Cards, Post Cards, and Postal Cards. This information is sought for use in preparation of the OCA's direct case. Accordingly, it is not directed to any particular witness.

Response:

(a)-(k) The requested data are not available by the categories First-Class Cards, Post Cards and Postal Cards. In the RPW system, the latter two items are not separate rate components of the general "Cards" category. Additionally, with respect to the questions on mail shape asked above, all items in the Cards category have a card shape. Note also that cards are never assessed a nonstandard surcharge so data on this aspect are not available. Finally, information on cards is not available by the category "automation compatible." The following provides as much information for cards as is available given the above. Revenue for all First-Class cards is \$1,006.1 million. See Direct Testimony of Bradley V. Pafford (USPS-T-3), Table 1 page 9 and Table 2 page 11. Revenue per piece for all First-Class cards is \$0.18 per piece. Total base year volume variable costs for First-Class Cards can be found in Exhibit C, column C of USPS-T-11. The total average unit volume variable cost for First-Class Cards can be found in Exhibit C, column E of USPS-T-11.

For test year data, please refer to page 2 of 2 of Attachment D of the testimony of witness Robinson (USPS-T-29) for whatever test year postage revenue and associated volume is available for First-Class Cards Subclass by Rate Category. Please refer to witness Patelunas's (USPS-T-12) Exhibit USPS-12G (Current Rates) and Exhibit

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Response continued:

USPS-12I (After Rates) for the volume variable costs for First-Class Single Piece Cards and Presort Cards, and Exhibit USPS-12A for the associated volumes.

Response of United States Postal Service
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OCA/USPS-20. Please provide a tabulation of **base-year volumes of First-Class Letters and Sealed Parcels** by ounce increment by shape (*i.e.*, letter-shaped mail, flat-shaped mail, and non-letter/non-flat mail). This information is sought for use in preparation of the OCA's direct case. Accordingly, it is not directed to any particular witness.

Response: See USPS-LR-J-112, Tables 11 and 12, pages 30 and 31, respectively.

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OCA/USPS-21. Please refer to the response of the Postal Service to interrogatory DBP/USPS-22 in Docket No. C2001-1, September 10, 2001. The Postal Service states,

[T]echnology resources affecting the ability to meet the outgoing processing workload have changed materially in recent years. Improvements in equipment capabilities, such as handwriting recognition, have enhanced the Postal Service's ability to process outgoing letter-shaped mail, of which the vast majority of collection mail consists. The achieved throughputs on the equipment have increased, with the result that the capacity exists to handle more collection mail within a shorter operating window. Emblematic of these changes in the operating environment over the last several years has been the Postal Service's ability to send less mail to the Remote Encoding Centers, and, in fact, to begin[] closing RECs over this period.

- (a) Please identify all "improvements in equipment capabilities" that occurred between the base year in R2000-1 and the base year in this docket.
- (b) Please identify all "improvements in equipment capabilities" that occurred in FY 2001.
- (c) Please identify all "improvements in equipment capabilities" that the Postal Service expects will occur between the base year and the test year of this docket. Please provide citations to roll-forward documentation showing how the "improvements in equipment capabilities" translate into reduced expenses in the test year.
- (d) Please provide citations to roll-forward documentation showing how improvements in "handwriting recognition" translate into reduced expenses in the test year.
- (e) Please provide the change in cost avoidance between the base years of R2000-1 and this docket, for each worksharing discount in First-Class Mail, resulting from improvements in "handwriting recognition."
- (f) Please provide the proportion and absolute volume of handwritten First-Class letter-shaped mail that was successfully barcoded by "handwriting recognition" equipment in the most recent AP, quarter, and fiscal year for which data are available.
- (g) Please provide the proportion and absolute volume of handwritten First-Class letter-shaped mail that is projected to be successfully barcoded by "handwriting recognition" equipment in the test year of this docket.
- (h) Please provide the proportion and absolute volume of handwritten First-Class card-shaped mail that is projected to be successfully barcoded by "handwriting recognition" equipment in the test year of this docket.

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Response:

- (a) All "improvements in equipment capabilities" that occurred between the base year in R2000-1 (Base Year 1998) and the base year in this docket (Base Year 2000) are best represented by the cost reductions programs existing between those years. The relevant cost reductions in the Docket No. R2000-1 filing can be found in USPS-LR-126, Exhibit E. The cost reductions were updated in response to Order No. 1294, and a comparison between the filing and the update can be found in Exhibit USPS-ST-44Z of the supplemental testimony of witness Patelunas (USPS-ST-44).
- (b) All "improvements in equipment capabilities" that occurred in FY 2001 can be found in USPS-LR-J-49. Exhibit E, page 1.
- (c) All "improvements in equipment capabilities" that the Postal Service expects will occur between the base year and the test year of this docket can be found in USPS-LR-J-49, Exhibit E, pages 1-3. The first sentence of the quoted response to DBP/USPS-22 in Docket No. C2001-1, September 10, 2001, states [T]echnology resources affecting the ability to meet the outgoing processing workload have changed materially in recent years." As such, the response refers to mail processing, and all mail processing cost reductions and how the cost reductions are reflected in classes of mail and special services is shown in the testimony of witness Patelunas (USPS-T-12), Appendix A.
- (d) Please refer to witness Patelunas (USPS-T-12), Appendix A. Pages 6-8 show the savings in thousands of workhours (the same information is available on

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Response continued:

pages 1-3 of Exhibit E of USPS-LR-J-49). Pages 9-11 of USPS-T-12, Appendix A, display the dollar savings by program (in thousands), grouped by distribution key. The "handwriting recognition" savings are associated with the "RCR 2000" and "Recognition Improvement" programs within distribution key 1446, RBCS. Pages 20-22 show the expenses by year for each distribution key.

- (e) Handwritten mail pieces are not extended a discount. Consequently, any improvements in the ability of mail processing equipment to finalize mail pieces with handwritten addresses would only have an impact on worksharing related savings estimates when handwritten letters costs are used as a benchmark.

The First-Class Mail presort rate categories use Bulk Metered Mail (BMM) letters costs as the benchmark. In reality, a small portion of these mail pieces would contain handwritten addresses. However, it is not possible to determine the extent to which this portion of BMM letters would have affected BMM letters costs as a result of improved handwriting recognition technologies. Consequently, it is not possible to determine the extent to which these improvements would have affected the worksharing related savings estimates for the First-Class Mail presort rate categories between Docket Nos. R2000-1 and R2001-1.

The Qualified Business Reply Mail (QBRM) worksharing related savings estimate uses handwritten letters costs as a benchmark. The comparison of Docket No.

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Response continued:

R2000-1 and R2001-1 results, however, is problematic for two reasons.

First, the Postal Service has changed the way it views these improvements and the models were subsequently changed. Namely, the Postal Service now focuses on the aggregate Multi Line Optical Character Reader Input Sub System / Remote Computer Read (MLOCR-ISS/RCR) finalization rate, rather than focusing solely on the RCR finalization rate.

Second, the wage rates and other inputs used between dockets have changed. Consequently, a comparison of the savings would be meaningless.

In order to evaluate the extent to which letter recognition enhancement technologies have affected costs, one could modify the cost model inputs and evaluate the results in the cost models contained in USPS LR-J-60. Such an analysis was described in USPS-T-22, page 27 at 20-27.

- (f) These data are not available.
- (g) These data are not available.
- (h) These data are not available.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO OCA INTERROGATORIES**

OCA/USPS-21A. Please provide the following information for Priority Mail for the most recent year-long period available. If some of the requested data are only available for a shorter period, please provide the data for the longest possible period.

- (a) Volume by weight increment (please treat flat rate separately) by shape (*i.e.*, by letter-shaped mail, flat-shaped mail, and non-letter/non-flat mail).
- (b) The volume data requested in Part a of this interrogatory further broken down by presort level.
- (c) Proportion and absolute volume that receives its first sort on flat sorting equipment, by weight increment (please treat flat rate separately) by shape (*i.e.*, by letter-shaped mail, flat-shaped mail, and non-letter/non-flat mail).
- (d) The volume data requested in Part c of this interrogatory further broken down by whether the Postal Service applies a bar code.
- (e) The volume data requested in Part c of this interrogatory further broken down by whether the mailer applies a bar code.

RESPONSE:

(a): The available data responsive to this interrogatory are reproduced in the attached tables. The data are for GFY 2000.

(b)-(e): Not available. No data are available for Priority Mail disaggregated by presort level. No data are available that would allow disaggregation of volumes according to whether first sortations were performed on flat-sorting machines.

BREAKDOWN OF GFY-2000 VOLUME OF PRIORITY MAIL BY SHAPE
WITHIN POUND INCREMENT
FLAT RATE PRIORITY EXCLUDED

Pound Increment	Letter Volume	Flat Volume	Other Shape Volume	Combined Volume
1	12,894,842	148,023,980	193,796,794	354,715,616
2	979,663	121,491,038	306,182,939	428,653,640
3	115,623	8,466,037	138,198,670	146,780,330
4	24,299	1,127,501	61,812,887	62,964,687
5	17,741	368,550	31,615,511	32,001,802
6	8,709	128,340	17,768,409	17,905,458
7	5,778	74,369	11,540,291	11,620,438
8	2,552	25,905	8,042,507	8,070,964
9	7,794	32,809	5,322,010	5,362,613
10	295	16,707	3,958,424	3,975,426
11	1,697	10,207	3,040,268	3,052,172
12	0	17,061	2,375,030	2,392,091
13	758	7,267	1,781,572	1,789,597
14	0	2,899	1,293,818	1,296,717
15	216	9,804	1,207,784	1,217,804
16	39	4,338	832,973	837,350
17	0	314	752,998	753,312
18	0	2,443	562,314	564,757
19	0	608	533,692	534,300
20	0	0	440,157	440,157
21	0	271	379,636	379,907
22	0	633	370,793	371,426
23	0	710	305,701	306,411
24	0	314	278,416	278,730
25	0	1,230	214,313	215,543
26	0	1,165	181,073	182,238
27	0	0	163,551	163,551
28	0	923	145,407	146,330
29	0	0	96,506	96,506
30	0	767	182,779	183,546
31	0	0	113,220	113,220
32	0	306	95,345	95,651
33	0	276	81,214	81,490
34	0	0	76,835	76,835
35	0	265	99,117	99,382
36	0	13	69,949	69,962
37	0	513	38,505	39,018
38	0	0	71,356	71,356
39	0	0	48,747	48,747
40	0	0	36,331	36,331
41	0	0	51,378	51,378
42	0	0	18,040	18,040
43	0	0	28,277	28,277
44	0	0	27,047	27,047
45	0	0	32,728	32,728
46	0	0	27,922	27,922
47	0	720	13,070	13,790
48	0	0	8,599	8,599
49	0	102	16,323	16,425
50	0	0	15,784	15,784
51	0	0	8,105	8,105
52	0	0	15,108	15,108
53	0	0	9,536	9,536
54	0	0	14,319	14,319
55	0	0	8,575	8,575
56	0	0	14,037	14,037
57	0	0	10,001	10,001
58	0	0	7,083	7,083
59	0	0	2,747	2,747
60	0	0	28,375	28,375
61	0	0	13,882	13,882
62	0	0	952	952
63	0	0	2,522	2,522
64	0	0	852	852
65	0	0	2,959	2,959
66	0	0	1,677	1,677
67	0	0	2,193	2,193
68	0	0	1,271	1,271
69	0	0	2,747	2,747
70	0	0	1,843	1,843

Attachment to
Response to
OCA/USPS-21A(a)
page 1 of 2

BREAKDOWN OF GFY-2000 FLAT RATE PRIORITY VOLUME
BY POUND INCREMENTS - ALL SHAPES ASSUMED TO BE FLATS

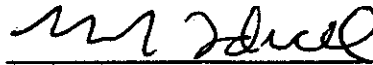
Pound Increment	VOLUME
1	92,108,160
2	20,580,238
3	3,948,137
4	717,294
5	182,818
6	55,486
7	19,327
8	9,818
9	2,058
10	6,423
11	719
12	7,561
13	493
14	6,939
15	589
16	0
17	26,210
18	0
19	0
20	650
21	0
22	499
23	0
24	0
25	0
26	0
27	0
28	0
29	0
30	0
31	2,579
32	0
33	0
34	0
35	0
36	0
37	0
38	0
39	0
40	0
41	0
42	0
43	0
44	0
45	0
46	0
47	0
48	0
49	0
50	0
51	0
52	0
53	663
54	0
55	0
56	0
57	0
58	0
59	0
60	0
61	0
62	0
63	0
64	0
65	0
66	0
67	0
68	0
69	0
70	0

Attachment to
Response to
OCA/USPS-21A(4)

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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.



Michael Tidwell

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
October 12, 2001