

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 INTERROGATORY OF
THE OFFICE OF THE CONSUMER ADVOCATE
REDIRECTED FROM WITNESS MAYO
(OCA/USPS-T35-1)

The United States Postal Service hereby provides its response to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T35-1, filed on October 1, 2001, and redirected from witness Mayo. Due to the massive amount of data to be provided in USPS-LR-J-142, referred to in the response, the Postal Service has encountered technical difficulties in attempting to download and format the data. Thus, the library reference may not be available for another week.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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**RESPONSE OF UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE
Redirected from Witness Mayo (USPS-T-35)**

OCA/USPS-T35-1. In its Opinion in Docket No. R2000-1, the Commission said the Postal Service is not properly informing consumers about the limitations in its Express Mail delivery network (Opinion at 221) and suggested the Postal Service review its overall advertising and consumer information so that customers are made aware of potential limitations of the service; that is, so that they are notified that either the delivery standards cannot be met or revise the delivery standards so that they are more realistic.

- (a) Please explain the steps taken by the Postal Service since the Commission's Opinion to review the Postal Service's overall advertising and consumer information for Express Mail to make consumers aware of the potential limitations in the service's ability to meet the delivery standards for Express Mail.
- (b) Please indicate what specific steps the Postal Service has taken to make consumers aware of the potential limitations of the service's ability to meet the delivery standards for Express Mail.
- (c) Are there ZIP Code pair delivery standards for Express Mail for each ZIP Code to which Express Mail is delivered? If so, is each of those standards available to the consumer for each ZIP Code pair and how does the consumer access those standards for any particular ZIP Code pair?
- (d) Since the Commission's Opinion in Docket No. R2000-1, has the Postal Service adjusted downward any ZIP Code pair delivery standards for Express Mail because the prior service standard could not be met? If so, please provide a listing of those pairs for Express Mail which were changed and the proportion that the changed pairs are to the total number of all Express Mail ZIP Code pairs:

RESPONSE:

(a)-(b) The Postal Service has endeavored in its advertising to make clear that overnight service does not apply to all destinations. For example, in current ads, the Postal Service now states that overnight service applies in many locations, rather than across the country. For example, some ads state, "Next day delivery to many locations. See retail associate for guarantee details." Other ads state, "Express Mail overnight delivery available to many major markets. Items must be

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mailed by scheduled acceptance time. Restrictions apply. Call or visit your local Post Office or visit www.usps.com for service and guarantee details." =

In addition to ads, consumers can learn of Express Mail guarantees in several ways. The most widely available opportunity to access service guarantee information occurs when a consumer approaches a retail window to tender an Express Mail package. The verbal exchange during the acceptance process establishes delivery capabilities by referring to a directory which has been developed based upon the individual operations and logistics parameters pertinent to that location and the time of day of the mailing. Also, consumers currently can access www.usps.com, then go to "Shipping," then "Webtools," then "Express Mail Service Commitment," where the Application Program Interface (API) description reads:

Receive our guaranteed commitment between any two 5-digit ZIP Codes. This API will tell you if delivery is guaranteed by noon the next day, by 3:00 p.m. or two-day including Saturday and Sunday commitments. All you need to do is mail by the scheduled acceptance time.

At present, customers must register to obtain this API. However, plans are underway to add the API to the "Shipping Solutions" website in the near future,

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where the information will be accessible to consumers without the need to register to obtain the API.

(c) See responses to (a)-(b) above and (d) below.

(d) Since approximately the early 1980's , the Postal Service has maintained a national Express Mail directory. Currently, this directory lists the service guarantees for approximately 4,096,000,000 3-digit origin/5-digit destination ZIP Code pairs. (Due to the massive data covered by each directory and in order to keep the most current information accessible, past directories are routinely overwritten.) The directory is generally updated on a quarterly basis, based upon submissions by Area Distribution Network Offices (DNOs) and customer service districts. On these submissions, the Area DNOs generally indicate the appropriate dispatch times for outgoing mail based upon available local transportation to the processing facilities. The Area DNOs also generally indicate the appropriate arrival times at the processing facilities for the incoming mail. A computer program run by the Postal Service's Information Technology group then matches these dispatch and receipt times with national transportation departures and arrivals for all available modes of transportation. If transportation is available to effect overnight service, then the computer program generates the appropriate ZIP Codes supported by that transportation for an overnight service

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guarantee. Anything not assigned an overnight service standard automatically becomes a second day service guarantee. Before the directory is generated, Headquarters personnel may work with the particular area to resolve any issues, with a view toward improving service guarantees, if possible. Once the directory generation process is complete, the directory information is either downloaded into Point-of-Service (POS-1), loaded from diskette into the integrated retail terminals (IRT) or referenced from a hardcopy format at each associate office, station and branch. The service guarantees normally will remain in place until the next quarterly update, although interim changes can be made for other reasons. For example, due to heightened security as a result of the tragic events of September 11 and some limitations on the availability of transportation, some service guarantees have temporarily been changed and others may be subject to change as events continue to evolve. Data from the most recent directory will be included in USPS-LR-J-142. Those data show that compared with the directory of February, 2001, the service guarantees for 7,225,997 3-digit origin/5-digit destination pairs were downgraded and 4,145,253 were upgraded. This means that of the 4,096,000,000 3-digit origin/5-digit destination pairs, .18% percent were downgraded and .10% percent were upgraded. The Area DNOs are now in the process of reviewing the current directory and preparing submissions for a new directory, scheduled for completion around November 17, 2001. Therefore, some of the current service guarantees likely will change.

