

BEFORE THE
POSTAL RATE COMMISSION

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

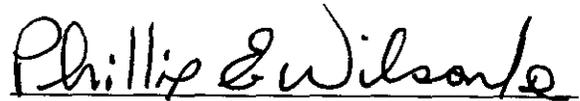
EXPERIMENTAL SUSPENSION OF FEE FOR
MANUAL DELIVERY CONFIRMATION CATEGORY :

DOCKET NO. R2001-2
DOCKET NO. MC2001-2

INTERROGATORIES OF UNITED PARCEL SERVICE TO
UNITED STATES POSTAL SERVICE WITNESS O'HARA
(UPS/USPS-T1-35 THROUGH 42)
(October 17, 2001)

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby files and serves the following interrogatories directed to United States Postal Service witness O'Hara: UPS/USPS-T1-35 through 42.

Respectfully submitted,



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UPS/USPS-T1-35. When the Postal Service describes the window-entered retail channel, does it include Contract Postal Units and private retail outlets such as Pak Mail or Postal Plus? If not, in what category are these outlets included?

UPS/USPS-T1-36. Refer to your response to UPS/USPS-T1-28. Do the RPW-based volume figures regarding window-entered Priority Mail include private retail outlets and Contract Postal Units? If not, in what figures are these volumes included?

UPS/USPS-T1-37. Does the Postal Service intend to offer free Manual Delivery Confirmation at all Postal Service-operated retail facilities during the period from December 1, 2001, through December 16, 2001? If not, why not?

UPS/USPS-T1-38. Does the Postal Service intend to offer free Manual Delivery Confirmation at all Contract Postal Units during the period from December 1, 2001, through December 16, 2001? If not, why not, and have you considered the impact of this proposal on Contract Postal Units?

UPS/USPS-T1-39. Does the Postal Service intend to offer free manual Delivery Confirmation at private retail facilities that tender Priority Mail to the Postal Service during the period from December 1, 2001, through December 16, 2001? If not, why not, and have you considered the impact of this proposal on private retail facilities that offer Priority Mail?

UPS/USPS-T1-40. Does the Postal Service intend to offer free Manual Delivery Confirmation at any other non-Postal Service-operated outlet that tenders Priority Mail to the Postal Service during the period from December 1, 2001, through December 16,

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2001? If not, why not, and have you considered the impact of this proposal on other non-Postal Service outlets that offer Priority Mail?

UPS/USPS-T1-41.

(a) Refer to Library Reference USPS-LR-1, Workpaper, page 4 of 4. Confirm that the total POS Priority Mail volume during FY2001 was 191.3 million. If not confirmed, explain in detail.

(b) Confirm that multiplying this 191.3 million figure by 100/70 yields the estimated window-entered Priority Mail volume in FY2001 of 273.3 million. If not confirmed, explain in detail.

(c) Refer to your response to UPS/USPS-T1-5(b). Confirm that with a cost for Priority Mail Manual Delivery Confirmation of 36 cents per piece and a 40 cent fee for that service, the net contribution per piece for Priority Mail Manual Delivery Confirmation is 4 cents per piece. If not confirmed, explain in detail.

(d) Refer to your response to UPS/USPS-T1-3(b). Confirm that with a contribution of 4 cents per piece and a total cost of the proposed pricing experiment of \$9,566,715, approximately 240 million additional pieces of window-entered Priority Mail must select Manual Delivery Confirmation services after the pricing experiment for the pricing experiment to pay for itself if there are no net benefits from pieces being mailed early. If not confirmed, explain in detail.

(e) Provide all studies and supporting analyses of the additional volume out of the total window-entered Priority Mail volume of 273.3 million pieces per year that will

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choose Manual Delivery Confirmation service as a result of the proposed pricing experiment.

UPS/USPS-T1-42. Refer to Domestic Mail Manual, "Rates and Fees," §§ R100.8.0 and R700.1.1.

(a) Confirm that the fee for Manual Delivery Confirmation of Parcel Post pieces will be 50 cents per piece during the proposed pricing experiment. If not confirmed, explain in detail.

(b) Confirm that the rate for 1-pound inter-BMC/ASF Single-Piece Machinable Parcel Post pieces with Manual Delivery Confirmation will be 42 to 45 cents per piece higher than for 1-pound Priority Mail pieces with Manual Delivery Confirmation during the proposed pricing experiment. If not confirmed, explain in detail.

(c) Confirm that the rate for 2-pound inter-BMC/ASF Single-Piece Machinable Parcel Post pieces, Zone 3 and above, with Manual Delivery Confirmation will be equal to the rate for 2-pound Priority Mail pieces with Manual Delivery Confirmation during the proposed pricing experiment. If not confirmed, explain in detail.

(d) Confirm that the rate for 3-pound inter-BMC/ASF Single-Piece Machinable Parcel Post pieces, Zone 5 and above, with Manual Delivery Confirmation will be 1 to 16 cents per piece higher than for 3-pound Priority Mail pieces with Manual Delivery Confirmation during the proposed pricing experiment. If not confirmed, explain in detail.

(e) Provide all analyses or studies on the impact of the proposed pricing experiment on Parcel Post.

CERTIFICATE OF SERVICE

I hereby certify that on this date I have caused to be served the foregoing document by first class mail, postage prepaid, in accordance with Section 12 of the Rules of Practice.


Phillip E. Wilson, Jr.

Dated: October 17, 2001
Philadelphia, PA

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