

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-T1-43 THROUGH 54)
(October 19, 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-T1-43 through 54.

Respectfully submitted,



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UPS/USPS-T1-43. Refer to Library Reference USPS-LR-1, DC_LR.xls, tabs "Chart 1," "Chart 2," and "Chart 3," which contain Priority Mail volume information.

(a) Provide, in the same format, volume information for Parcel Post similar to that provided in "Chart 1."

(b) Provide, in the same format, volume information for Parcel Post similar to that provided in "Chart 2."

(c) Provide, in the same format, volume information for Parcel Post similar to that provided in "Chart 3."

UPS/USPS-T1-44. Refer to Library Reference USPS-LR-1, DC_LR.xls, tabs "WP_p.3 Daily Data" and "WP_p.4 Weekly Data," which contain Priority Mail volume information.

(a) Provide, in the same format, volume information for Parcel Post similar to that provided in "WP_p.3 Daily Data."

(b) Provide, in the same format, volume information for Parcel Post similar to that provided in "WP_p.4 Weekly Data."

UPS/USPS-T1-45. Has the Postal Service studied through market research, customer interviews, or any other means the potential change in Parcel Post volume as a result of this proposal? If so, provide the studies and all results of these studies.

UPS/USPS-T1-46. Refer to page 5 of your testimony, where you discuss the potential for "modest savings in clerk and carrier overtime." Provide the total overtime cost separately for (a) window clerks, (b) clerks, and (c) city delivery carriers for each of the following weeks:

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- (i) November 25, 2000 through December 1, 2000;
- (ii) December 2, 2000 through December 8, 2000;
- (iii) December 9, 2000 through December 15, 2000; and
- (iv) December 16, 2000 through December 22, 2000.

UPS/USPS-T1-47. Refer to page 10 of your testimony, where you discuss "supplemental air transportation" costs.

(a) Did contracts for supplemental air transportation contain rates that varied during the period from December 2, 2000, through December 22, 2000? If so, describe how they varied, and to what extent? What was the basis for the variation?

(b) Do the contracts for supplemental air transportation contain rates that vary during the period from December 1, 2001, through December 21, 2001? If so, describe how they vary, and to what extent? What is the basis for the variation?

UPS/USPS-T1-48. Refer to page 3 of the Reply of the United States Postal Service in Response to Opposition of United Parcel Service to Motion for Waiver of Certain Provisions of Rule 54, R2001-2/MC2001-2, filed October 16, 2001. In that filing, the Postal Service states, "For window-entered packages that would have been sent Parcel Post without the experiment, the availability of Delivery Confirmation without fee for Priority Mail could be expected to induce only a very small amount of substitution."

(a) Do you agree with that statement? If so, provide the basis for your agreement.

(b) Quantify "a very small amount" of substitution.

(c) Provide all studies, analyses, and reports on which you base your opinion.

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UPS/USPS-T1-49. Refer to page 3 of the Reply of the United States Postal Service in Response to Opposition of United Parcel Service to Motion for Waiver of Certain Provisions of Rule 54, R2001-2/MC2001-2, filed October 16, 2001. In that filing, the Postal Service states, "Since Parcel Post entered at postal windows has a less pronounced peak than does Priority Mail, and only about five percent of Parcel Post mailers obtain Delivery Confirmation at the window, compared to closer to 15 percent for Priority Mail customers, there is unlikely to be significant interplay between the experiment and users of Parcel Post."

(a) Do you agree with this statement? If so, provide the basis for your agreement, including any studies, analyses, and reports on which you base your opinion.

(b) Provide the volume of window-entered Parcel Post pieces for which Delivery Confirmation was purchased during the following periods:

- (i) November 25, 2000 through December 1, 2000;
- (ii) December 2, 2000 through December 22, 2000;
- (iii) December 2, 2000 through December 8, 2000;
- (iv) December 9, 2000 through December 15, 2000; and
- (v) December 16, 2000 through December 22, 2000.

(c) Provide the volume of window-entered Parcel Post pieces for which Delivery Confirmation is expected to be purchased during the following periods:

- (i) November 24, 2001 through November 30, 2001;
- (ii) December 1, 2001 through December 21, 2001;

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- (iii) December 1, 2001 through December 7, 2001;
- (iv) December 8, 2001 through December 14, 2001; and
- (v) December 15, 2001 through December 21, 2001.

UPS/USPS-T1-50. Refer to your response to interrogatory UPS/USPS-T1-1(c), where you confirm that you assumed that 30% of Priority Mail retail revenue during the first 16 days of December 2001 will be received at sites that do not have POS terminals because you believed that "this overall figure could reasonably be applied to these particular services in this particular time period." Provide the basis for this belief, including all data and studies that support your belief that it is reasonable to apply the 30% figure.

UPS/USPS-T1-51. How will the Postal Service obtain information about the causes for any shifts in holiday mailing patterns or increases in future usage of Delivery Confirmation that occur after the suspension of the fee?

UPS/USPS-T1-52. Refer to your response to interrogatory UPS/USPS-T1-9(d)-(e), where you state that the "apparent increase in retail-entered Priority Mail during FY2001 on page 4 of my workpaper may simply reflect an expansion in the number of POS sites for which data are included in the tabulations provided to me." What is the basis for this conclusion? What are other potential causes?

UPS/USPS-T1-53. Provide the volume of window-entered Priority Mail pieces during the following periods:

- (i) November 27, 1999 through December 3, 1999;
- (ii) December 4, 1999 through December 10, 1999;

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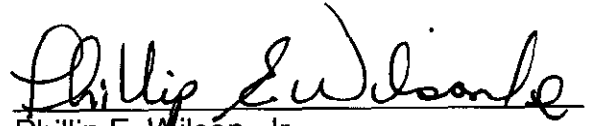
- (iii) December 4 1999 through December 24, 1999;
- (iv) December 11, 1999 through December 17, 1999; and
- (v) December 18, 1999 through December 24, 1999.

UPS/USPS-T1-54. Provide the volume of window-entered Priority Mail pieces for which Delivery Confirmation was purchased during the following periods:

- (i) November 27, 1999 through December 3, 1999;
- (ii) December 4, 1999 through December 10, 1999;
- (iii) December 4 1999 through December 24, 1999;
- (iv) December 11, 1999 through December 17, 1999; and
- (v) December 18, 1999 through December 24, 1999.

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 19, 2001
Philadelphia, PA

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