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

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MOELLER TO INTERROGATORY OF DOUGLAS CARLSON (DFC/USPS-T28-2(D))

The United States Postal Service hereby provides the response of witness Moeller to the following interrogatory of Douglas Carlson: DFC/USPS-T28-2(d), filed on September 28, 2001.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Michael T. Tidwell

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2998; Fax –5402 November 2, 2001

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MOELLER TO INTERROGATORIES OF DOUGLAS F. CARLSON

DFC/USPS-T28-2.

- a. Please confirm that the Postal Service changed service standards for First-Class Mail in 2000 and 2001. If you do not confirm, please explain.
- b. Please provide the approximate volume of First-Class Mail that, as a result of the changes in First-Class Mail service standards that the Postal Service implemented in 2000 and 2001, now receives two-day service instead of three-day service.
- c. Please provide the approximate volume of First-Class Mail that, as a result of the changes in First-Class Mail service standards that the Postal Service implemented in 2000 and 2001, now receives three-day service instead of two-day service.
- d. Please confirm that the changes in First-Class Mail service standards that the Postal Service implemented in 2000 and 2001 have, all else equal, lowered the value of First-Class Mail service. If you do not confirm, please explain fully and provide all documents that support your inability to confirm this statement.
- e. Except for Alaska and Hawaii, please confirm that the overnight and two-day delivery areas for First-Class Mail presently generally are limited to geographic distances that the Postal Service can reach via ground transportation. If you do not confirm, please explain.
- f. Please confirm that, prior to 2000 and 2001, the Postal Service used air transportation to achieve two-day delivery for First-Class Mail between many three-digit ZIP Code pairs (including those in states other than Alaska and Hawaii). If you do not confirm, please explain.
- g. Please confirm that the Postal Service did not provide evidence to the Commission in Docket No. R2000-1 that it was implementing changes in First-Class Mail service standards on a largely nationwide basis. If you do not confirm, please provide copies of the documents or evidence announcing the changes.
- h. Please confirm that some of the changes in First-Class Mail service standards that the Postal Service implemented in 2000 had been implemented before the evidentiary record in Docket No. R2000-1 was closed. If you do not confirm, please explain.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MOELLER TO INTERROGATORIES OF DOUGLAS F. CARLSON

RESPONSE to DFC/USPS-T28-2(d):

- a-c. See response of the United States Postal Service filed October 18, 2001.
- d. As described in the response to DFC/USPS-T32-2b and DFC/USPS-T32-2c, the percentage of overall volume that possibly moved from a three-day to a two-day standard (1.87%), and the percentage that possibly moved from two-day to three-day standard (3.32%), are both very small. The net effect of these offsetting movements, therefore, is not significant, and should not be viewed as a decrease in the value of service for First-Class Mail in either absolute terms, or relative to other subclasses. In fact, to the extent the realignment results in more consistent service that matched mailer expectations, the value of service would be maintained or increased.
- e-h. See response of the United States Postal Service filed October 18, 2001.

DECLARATION

I, Joseph D. Moeller, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

JOSEPH D. MOELLER

Dated: November 2 2001

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 T. Tidwell

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 November 2, 2001