

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

Complaint on First-Class Mail  
Service Standards

Docket No. C2001-3

REVISED RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF DAVID POPKIN  
(DBP/USPS-24(e), 27(f) and 30) (ERRATA)

The United States Postal Service hereby files its responses to the following interrogatories of David Popkin: DBP/USPS-24(e), 27(f), and 30.

For convenience, the October 22, 2001, responses to subparts (a)-(d) and (f) of DBP/USPS-24 are repeated, so that all of responses to subparts (a)-(f) are presented together. For the same reason, the October 4, 2001, responses to subparts (a)-(e) and (g)-(i) of DBP/USPS-27 are repeated. The revised response to DBP/USPS-30 filed today supersedes the original October 4, 2001, version. The revised responses to DBP/USPS-24 and 27 filed today also supersede the earlier responses.

The interrogatories are stated verbatim and are followed by the responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux  
Chief Counsel  
Ratemaking

November 9, 2001

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Michael T. Tidwell  
Attorney

## **CERTIFICATE OF SERVICE**

I hereby certify that, in accordance with section 12 of the Rules of Practice, I have this day served the foregoing document upon all parties of record in this proceeding.

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November 9, 2001

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Michael T. Tidwell

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**DBP/USPS-24.**

Please refer to Paragraph 15 of the Gannon Declaration as it refers to the use of commercial air transportation service.

- (a) Provide a definition of the term "commercial air transportation service."
- (b) Prior to the changes that were implemented in the past two years, please advise the percentage of 2-Day mail that was transported by surface, by commercial air transportation service, and by other means (specify the means and provide separate data for each means that transports 1% or more of the total volume).
- (c) Same as subpart b except for current data.
- (d) Same as subparts b and c except for 3-Day mail.
- (e) Provide details and specific data over at least the past five years which will demonstrate the level of reliability of commercial air transportation.
- (f) Explain why the loss of reliability had a more significant impact on 2-Day mail. Also please state what the word "more" refers to.

**RESPONSE:**

- (a) In this context, the term is used to refer generally to commercial passenger air service other than that which is dedicated by contract primarily or exclusively to the transport of mail. Passenger airlines which also transport mail in their cargo holds are an example of "commercial air transportation service" utilized by the Postal Service.
- (b-d) No transportation data exist which separate mail volume for a particular mail class on the basis of the service standard applicable to portions of that mail.
- (e) Materials which provide an indication of the reliability of commercial airline service experienced by the Postal Service have been filed as USPS Library Reference C2001-3/2.  
  
The Library Reference includes Air Travel Consumer Reports issued by the U.S. Department of Transportation. These reports reflect the "block

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**RESPONSE TO DBP/USPS-24 (continued)**

time” on-time percentage for various domestic commercial passenger airlines, many of which are contracted by the Postal Service for the transport of mail. “Block time” is the period from gate departure to gate arrival. It gives an indication of the degree of on-time flight reliability experienced by the Postal Service, to the degree that mail is being transported by these airlines. These airlines also may “bump” mail from an assigned flight to a later flight, depending on the combined weight of passengers and luggage. Thus, the DOT numbers do not reflect the degree of on-time service experienced by mail carried by air, but indicate the maximum degree of timeliness which mail not bumped can experience from gate to gate. The DOT reports do not measure the on-time performance of loading and unloading of mail, or the transfer of mail to and from postal Air Mail Facilities, all of which contributes to whether mail is transported to the postal AMF in a timely fashion.

In addition to the DOT reports, the Postal Service has been trying to develop a statistically valid sample-based system for measuring air carrier transport and transfer of Priority Mail. The system currently in place generates the Air Carrier Performance (ACP) scores in USPS-LR-C2001-3/2. The ACP measurement system was designed to provide a basis for determining incentive payments to commercial passenger airlines for improving on-time performance. However, it has been determined that the system does not approach a level of statistical reliability sufficient for it

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**RESPONSE TO DBP/USPS-24 (continued)**

to be used for that purpose. Nevertheless, the Postal Service considers that the data generated by the system provide an indication of the degree to which Priority Mail handled by various airlines arrives on time at postal AMFs, which has an impact on the Postal Service's ability to meet service standards. In the absence of specific data about First-Class Mail, ACP scores for Priority Mail have been used as an indicator of the quality commercial passenger airline handling of First-Class Mail. The data serve to bolster the anecdotal information received by postal transportation and logistics managers from the field which supports the conclusion that the level of quality of the transportation of mail by commercial passenger airlines falls even farther short of expectation than "block time" scores would suggest.

- (f) A delay in air transportation is more likely to adversely affect 2-day mail than 3-day mail because, for the former, there is a narrower window within which to execute "Plan B" (to catch the next available flight) in an effort to meet the service standard than with 3-day mail.

In the first instance, the word "more" is used in reference to the word "erratic." In the second instance, it is used in reference to the word "significant." It is not clear what is intended by this part of the question.

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**DBP/USPS-27**

- (a) Confirm in general that air transportation will be more costly than surface transportation.
- (b) Confirm in general that air transportation will provide more expeditious service than surface transportation.
- (c) If not, explain.
- (d) Is air transportation utilized in all instances where it would advance the delivery time for First-Class Mail by one or two days over that which may be obtained by utilizing surface transportation in whole or in part?
- (e) If not, why not and explain how the handling of this mail could be considered to be handled expeditiously.
- (f) Provide copies of any regulations, directives, or memoranda issued at Area or above level which specify when to utilize air transportation service.
- (g) Provide copies of any press releases, directives, or other memoranda which were issued at the Headquarters level to indicate the level of service that would be provided to First-Class Mail at the time that Air Mail was eliminated as a separate domestic service some twenty years ago.
- (h) Does the level to which air transportation is utilized today match the level that was stated when Air Mail was eliminated as a separate service?
- (i) If not, explain how and why it does not.

**RESPONSE:**

- (a) Yes, in general, air transportation will be more costly than surface transportation.
- (b) No, that statement is not uniformly correct.
- (c) One impacting factor, for instance, is the specific distance between the cities involved. Example: Pittsburgh PA P&DC clears their Originating 2-

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**RESPONSE to DBP/USPS-27 (continued):**

Day mail destined for Buffalo NY at 02:30 AM. Theoretically, they could have a surface trip going directly to the Buffalo P&DC which departs at 02:30. The projected drive time to Buffalo is 4.4 hours (4 Hours & 24 minutes), thus putting the projected arrival time at the Buffalo P&DC at 06:54.

In order to route the same mail by air, there is an actual surface trip to the Pittsburgh AMC departing, also, at 02:30. The trip arrives at the Pittsburgh AMC at 03:05. There is a highway to air carrier transfer time of 1 hour for processing through the AMC. There is a 0:35-minute minimum time prior to the departing flight that the airlines require to handle the mail. This would put the mail available for flights departing sometime after 04:40. The very first flight available to Buffalo is US Air-446 departing at 08:35 and scheduled to arrive at Buffalo at 09:32. Once at the Buffalo airport, US Air has 1:40 hours (including the buffer) to bring the mail to the AMC. The AMC then has a minimum of 20 minutes to get the mail ready for transportation going to Buffalo P&DC. That makes the mail available for transportation at 11:32.

The first scheduled surface trip from the AMC leaves at 11:40 and arrives at the Buffalo P&DC at 12:05. Aside from the very real issues of airline dependability, this puts the mail in question at the processing plant 5 hours and 11 minutes after the surface trip...that is, if everything works

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**RESPONSE to DBP/USPS-27 (continued):**

exactly right through the air network in a “best case” scenario. Obviously, this would not be the case on a Pittsburgh to Los Angeles trip, but it clearly demonstrates that a 57-minute flight is not “more expeditious” than, in this case, a 4 Hour & 24 minute surface trip.

- (d) In all likelihood, not.
- (e) In the same manner that the question in subpart (b) recognizes that there are degrees of expedition (“plain” expedition and “more” expedition) which contribute to the expeditious level of service experienced by First-Class Mail.
- (f) A copy of Handbook M-22 Dispatch and Routing Policies (October 1994) has been filed as USPS Library Reference C2001-3/5.
- (g) Objection filed.
- (h) The levels are probably not the same, but there are no records available that would permit a very precise comparison.
- (i) N/A



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**DBP/USPS-30.**

Please identify and provide copies of any USPS Inspection Service, USPS Inspector General, or General Accounting Office reports that have been issued with respect to service standards of First-Class Mail.

**RESPONSE:**

See Docket No. R20001, USPS LR I-380, for the April 1998 Postal Inspection Service audit report . Three additional Office of the Inspector General reports pertaining to EXFC have been identified. Copies are provided in USPS Library Reference C2001-3/6.