

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

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Complaint on First-Class Mail
Service Standards

Docket No. C2001-3

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

RESPONSE OF CHARLES GANNON
ON BEHALF OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-GAN-1)

The United States Postal Service hereby files the response of Charles Gannon to the following interrogatory : OCA/USPS-GAN-1, filed on October 11, 2001.

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

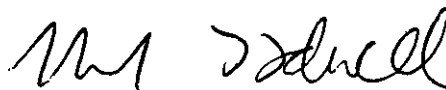
The Postal Service anticipates filing a number of other late responses to interrogatories of the Office of the Consumer Advocate, Mr. Carlson and Mr. Popkin in the upcoming week and will file a detailed, blanket motion for late acceptance to cover all such responses on Friday, November 23, 2001. In the mean time, the Postal Service will concentrate on cranking out the responses in order to minimize the delay.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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November 16, 2001

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OCA/USPS-GAN-1. Please refer to paragraph 18 of the Declaration of Charles M. Gannon, which the Postal Service filed on July 30, 2001. In this paragraph, you cited a goal of "improved consistency." Please identify and cite the types of information and data available to you that led you to believe that opportunities or a need existed to improve consistency in First-Class Mail delivery. If possible, please provide the information and data on which you relied.

RESPONSE:

The goal of "improved consistency" was one that was passed down to my team from Senior Management at the beginning of the 2 & 3-Day Project in April 1998. While this was in the form of verbal discussions for which there are no records, I can tell you that one of the primary factors was the National Yearly EXFC Trends for prior years. As I recall, our EXFC Overnight scores had moved from the low 80s in the early 1990s to the low 90s in recent years, subsequent to the implementation of the Service Standard changes associated with Phase One of the standards modified by N89-1. However, the 2 & 3-Day scores had remained stagnant, in the middle-to-high 70s, despite some changes being associated with the initial implementation of Phase Two in the early 90s.

As explained in response to OCA/USPS-9, for the purposes of the finalization of the Phase 2 Service Standard changes in FY2000 and FY2001, the Postal Service did not perform any historical analysis regarding the service performance between any particular 2-Day or 3-Day pairs. However, Senior Management did use the annual overall 2 & 3-Day EXFC scores as a general indicator that the level of service we were rendering to that portion of our mailstream was inconsistent and not at a satisfactorily sustained performance level. The results of this analysis is indicated in the PowerPoint

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RESPONSE TO OCA/USPS-GAN-1 (Continued)

Presentation, entered as DFC-LR-1, in a "bullet" where it is noted "Customer Expectations Not Met on 2/3 Day Mail".

While there are no additional documents from that time frame citing the EXFC trends to which I refer, a review of the annual EXFC scores from other sources supports my recollection, as follows:

FISCAL YEAR	EXFC 1 DAY	EXFC 2 DAY	EXFC 3 DAY
1992	82.87	76.63	79.18
1993	83.61	77.24	80.26
1994	81.91	72.49	75.03
1995	85.73	77.55	80.21
1996	89.25	78.82	79.52
1997	91.57	76.37	77.48
1998	93.01	82.84	81.43
1999	93.32	86.52	85.57
2000	93.83	86.36	84.32
2001	93.51	84.55	80.68

DECLARATION

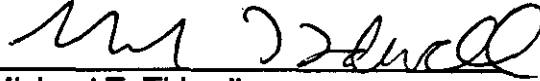
I, Charles M. Gannon, declare under penalty of perjury that the foregoing answers to Docket No. C2001-3 interrogatories are true and correct, to the best of my knowledge, information and belief.


Charles M. Gannon

Date: 11/16/01

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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