

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

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO OCA INTERROGATORIES OCA/USPS-295-296, 304
(December 13, 2001)

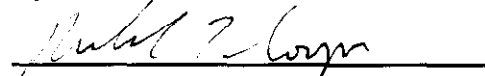
The United States Postal Service hereby provides its responses to the following interrogatories of Office of the Consumer Advocate: OCA/USPS-295-296, 304, filed on November 26, 2001.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:



Richard T. Cooper

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December 13, 2001

RESPONSE OF THE UNITED STATES POSTAL SERVICE
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OCA/USPS-295. Please refer to PRC Op. R2000-1, para. 5301. There the Commission stated:

While there appears to be some origin-destination pairs where Priority Mail has a higher standard of service than First-Class this is not the general rule. Customers presently can not easily determine from the Service's website or from information at post offices when different service standards exist. The Service should take steps to assure that customers are not misled into purchasing a more expensive product that will not provide added service.

- (a) What is the possible total number of origin-destination pairs?
- (b) Please give the number of origin-destination pairs for which the Priority Mail service standard is higher than that of First Class.
- (c) Please give the number of origin-destination pairs for which the First-Class service standard is higher than for Priority Mail.
- (d) Please list and describe fully all steps taken by the Postal Service since the issuance of the R2000-1 opinion that allow customers to "easily determine from the Service's website...when different service standards exist." Provide all memoranda, bulletins, policy statements, and any other written material or documentation addressing this issue.
- (e) Please list and describe fully all steps taken by the Postal Service since the issuance of the R2000-1 opinion that allow customers to "easily determine from...information at post offices when different service standards exist." Provide all memoranda, bulletins, policy statements, and any other written material or documentation addressing this issue.
- (f) Please list and describe fully all steps taken by the Postal Service since the issuance of the R2000-1 opinion that allow customers to "assure that customers are not misled into purchasing a more expensive product that will not provide added service." Provide all memoranda, bulletins, policy statements, and any other written material or documentation addressing this issue. In addition to the material requested in the previous sentence, specifically state all measures put in place by the Postal Service to require clerks and ASK-USPS representatives to give potential customers of First Class and Priority Mail all of the information necessary to see whether the purchase of the much higher priced Priority Mail service will result in speedier delivery (based upon service standards) of the mailpiece.

RESPONSE:

- (a) There are a total of 849,106 three-digit origin-destination ZIP Code pairs.
- (b) The Postal Service interprets a "higher" service (delivery) standard to be a "faster" one. With this in mind, the Priority Mail service standard is higher (faster)

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Response to OCA/USPS-295b (cont.)

than that of First-Class Mail for 597,526 out of the 849,106 three-digit ZIP Code pairs in the network.

(c) The First-Class Mail service (delivery) standard is higher (faster) than that of Priority Mail for 133 out of the 849,106 three-digit ZIP Code pairs in the network. One-hundred-and-eight (108) of these 133 pairs involve APO/FPO destinations for which the standard is tracked only from the point of delivery to the point of departure from the U.S. (the "gateway city"). The service standard for First-Class Mail can anomalously be higher than that of Priority Mail when the Priority Mail gateway is located apart from where APO/FPO First-Class Mail is processed. This is an anomaly because the Postal Service's intent is to never have higher service (delivery) standards for First-Class Mail than for Priority Mail.

The other 25 ZIP Code pairs with higher service standards for First-Class Mail than for Priority Mail are programming errors. They will be corrected in the future.

(d) Please see the Postal Service's response to OCA/USPS-T30-1.

(e) Please see the Postal Service's responses to OCA/USPS-T30-1 and DFC/USPS-9.

(f) Please see the Postal Service's responses to OCA/USPS-T30-1 and DFC/USPS-9.

RESPONSE OF UNITED STATES POSTAL SERVICE
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OCA/USPS-296. Please refer to Tr. 7/2716, Docket No. R2000-1. Please provide comparable figures for unidentified Priority Mail that is handled as First Class for FYs 1999, 2000, and 2001. What is the source for this information? Please give citations to source documents and provide them if they are not already on file with the Commission.

RESPONSE:

From ODIS, the percentage of Priority Mail that was unidentified was 24.6% in FY 1999, 21.5% in FY 2000, and 20.6% in FY 2001. Contrary to the *assumption in the question in Tr. 7/2716, Docket No. R2000-1, no data are available to indicate whether this mail received Priority Mail or First-Class Mail handling.*

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OCA/USPS-304. In response to interrogatory OCA/USPS-80, it is stated:

[T]he 2-day service standard range is much wider for Priority Mail than for First-Class Mail. In fact, while the majority of Priority Mail's three-digit ZIP Code pairs have a 2-day service standard, the majority of First-Class Mail's three-digit ZIP Code pairs have a 3-day service standard.

- (a) Give the total number of 3-digit ZIP Code pairs referred to in the response.
- (b) Give the number of ZIP Code pairs subject to a 2-day service standard separately for Priority Mail and First Class.
- (c) Give the number of ZIP Code pairs subject to a 3-day service standard separately for Priority Mail and First Class.
- (d) Also give the number of ZIP Code pairs subject to an overnight standard separately for Priority Mail and First Class.

RESPONSE:

(a) For both First-Class Mail and Priority Mail, 849,106.

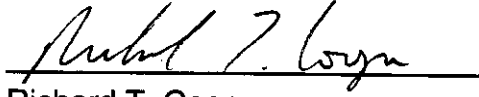
(b)-(d)

First-Class Mail and Priority Mail Service Standard Profiles, Nov. 29, 2001

Service Standard	No. of ZIP Code Pairs, First-Class Mail	No. of ZIP Code Pairs, Priority Mail
One Day (Overnight)	8,768	9,057
Two Days	184,601	781,387
Three Days	655,737	58,662
Total	849,106	849,106

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.

A handwritten signature in cursive script, appearing to read "Richard T. Cooper", is written over a horizontal line.

Richard T. Cooper

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