

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268B0001

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS KANEER TO INTERROGATORY OF DAVID B. POPKIN (DBP/USPS-51,  
REDIRECTED FROM THE POSTAL SERVICE), AND CORRECTED RESPONSES OF  
WITNESS KANEER TO INTERROGATORIES DBP/USPS-1, 47-50, 52, 60, AND 80,  
REDIRECTED FROM THE POSTAL SERVICE [ERRATA]

The United States Postal Service hereby provides the response of witness Kaneer to the following interrogatory of David B. Popkin: DBP/USPS-51, filed on November 26, 2001, and redirected from the Postal Service.

The Postal Service also refiles witness Kaneer's responses to DBP/USPS-1, 47-50, 52, 60, and 80, with a corrected header. These responses were initially filed on December 11, 2001, but the header referred to the Office of the Consumer Advocate instead of David B. Popkin

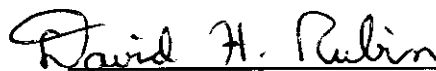
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

  
\_\_\_\_\_  
David H. Rubin

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December 21, 2001

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KANEER TO  
INTERROGATORIES OF DAVID B. POPKIN

**DBP/USPS-51** [a] Please provide a listing of the Erent / space values and Current and Proposed Group Classifications that will be utilized for determining the rates for Post Office Box service at all postal facilities. [b] Please provide a separate listing of those Erent / space values that have changed since the original list was prepared in the previous Docket.

**RESPONSE:**

(a-b) These listings are provided in Excel format in library reference J-204, produced under protective conditions established by Presiding Officer's Ruling No. R2001-1/24. The current and proposed fee groups used in preparing my testimony and workpapers are provided separately without protective conditions, in Library Reference J-205. Note however that new Erent values are currently being prepared and will be used in making final assignments of ZIP Codes to fee groups. See my testimony at page 34, line 11, to page 35, line 2.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KANEER TO  
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**DBP/USPS-1** To enable me to better understand the changes in Fee Groups for Post Office Boxes, please advise both the present and the proposed Fee Groups for each of the facilities with Post Office Boxes in the 076 ZIP Code area [07601 through 07677].

**RESPONSE:**

See the following table, but note that the proposed groups may change during the implementation process. See my testimony at pages 34 and 35, lines 11-22 and lines 1-2 respectively.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KANEER TO  
INTERROGATORIES OF DAVID B. POPKIN

ZIP	Current	Proposed
07601	C3	1
07603	C3	1
07604	C3	1
07605	C3	2
07606	C4	3
07607	C4	3
07620	D6	5
07621	C4	3
07624	C4	3
07626	C4	3
07627	C3	2
07628	C3	1
07630	C3	1
07631	C4	3
07632	B2	1
07640	C4	3
07641	C3	1
07642	C4	3
07643	C4	3
07644	C3	1
07645	C4	3
07646	C4	3
07647	C3	2
07648	C4	3
07649	C4	3
07650	C3	1
07652	C4	3
07656	C3	2
07657	C4	3
07660	C3	1
07661	C3	2
07662	C4	3
07663	C4	3
07666	C3	2
07670	C5	4
07675	C4	3
07677	C3	2

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KANEER TO  
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**DBP/USPS-47** [a] What percentage of postal facilities that have post office boxes provide access to their box section 24 hours a day? [b] Confirm, or explain if you are unable to do so, that these facilities fall into both those that have an employee on duty at the facility and those that do not. [c] What percentage of the total number of boxes are accessible 24 hours a day? [d] Confirm that, as a minimum, the box section in a post office should be accessible to the public at all times that a postal employee is on duty at the facility [which in many cases will be greater than the normal hours of retail operation]. If you are unable to confirm, please explain and discuss and provide specific information as to why it cannot be accomplished. [e] Provide information on the reasons which would allow a postal facility to permit access to the post office box section during times when there are no postal employees on duty in the facility. [f] Please provide copies of any directives or instructions that have been issued, if any, regarding the guidelines for determining whether a box section can be open when no postal employee is on duty.

**RESPONSE:**

(a-f) See the Postal Service's response to interrogatory DBP/USPS-84, Docket No.

R2000-1.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KANEER TO  
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**DPB/USPS-48** With respect to Post Office Box service, [a] Is a postal facility required to post a sign in the box section indicating the time that all mail will be in the boxes? If not, why not? [b] What percentage of the days would you consider to be reasonable for the mail not to be in the boxes by the posted time. [c] Please discuss your belief why your response to subpart b is reasonable.

**RESPONSE:**

(a-c) See witness Mayo's response to interrogatory DBP/USPS-86, Docket No. R2000-1.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KANEER TO  
INTERROGATORIES OF DAVID B. POPKIN

**DPB/USPS-49** [a] Please confirm, or discuss and explain if you are unable to, that there are a number of post offices where there are two or more separate facilities having post office box service while being under the jurisdiction of the same Postmaster. For each of the following situations of multiple box sections under the same Postmaster, advise whether the fee determination was performed for all of the separate facilities as a group or for each facility separately [b] Main post office and a branch with the same ZIP Code [c] Main post office and a station with the same ZIP Code [d] Main post office and an annex facility in the same area and with the same ZIP Code [e] Main post office and a CPU with the same ZIP Code [f] Same as subpart b except with different ZIP Codes [g] Same as subpart c except with different ZIP Codes [h] Same as subpart d except with different ZIP Codes [i] Same as subpart e except with different ZIP Codes [j] In those instances where two or more separate facilities had a single rate established for them, please explain the procedure that was utilized. [k] Confirm, or explain if you are unable to do so, that there are facilities where post office boxes have a separate ZIP Code from the street addresses. [l] How will this condition affect the determination of box rents?

**RESPONSE:**

See my response to interrogatory DBP/USPS-89, Docket No. R2000-1.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KANEER TO  
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**DBP/USPS-50** [a] How is the geographic delivery ZIP Code boundary of a non-city delivery post office determined? [b] How is the geographic ZIP Code boundary of a non-delivery post office determined? [c] Define and explain the term, "carrier delivery via an out-of-bounds delivery receptacle" as it appears in DMM Section D910.5.1a/b. [d] If I live in the same building as a non-delivery post office is situation, what box rent group to I pay? [e] Same as subpart d except a different post office has a rural or HCR route that passes the building. [f] Confirm, or discuss and explain if you are not able to confirm, that I may place a rural/HCR box anywhere in the country [assuming that I receive the permission of the property owner] and therefore obtain mail delivery from the rural/HCR carrier when they pass by the box? [g] If you confirm subpart f, explain who would be eligible to receive a Group E box? [h] What are the rules for extending a city delivery, rural, or HCR route to cover additional delivery points?

**RESPONSE:**

See the Postal Service's response to interrogatory DBP/USPS-93, Docket No.

R2000-1.



RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KANEER TO  
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**DBP/USPS-52** [a] Explain why the cost factor was chosen to divide box rents into groups rather than some other method such as availability to the box or number of days of delivery to the box. [b] What options were considered and what were the reasons for their dismissal?

**RESPONSE:**

[a] See my Docket No. R2000-1 testimony (USPS-T-40), pages 4-6, especially footnote 8, which quotes the Commission encouraging the Postal Service to develop information that permits alignment of box costs with fees. Costs reflect the value of the resources utilized by consumers; other options would not reflect this primary consideration, and would unduly complicate the fee structure during the proposed alignment of fees and costs. Also see my response to interrogatory DBP/USPS-95, part (a), Docket No. R2000-1.

[b] See my response to interrogatory DBP/USPS-95, Docket No. R2000-1 and please read my testimony provided in this docket, at pages 33, lines 16-23 and page 34, lines 1-5, in which utilization as a pricing element is addressed. Also see my response to interrogatory OCA/USPS-T40-3, Docket No. R2000-1.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KANEER TO  
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**DBP/USPS-60** [a] Within the past five years [up to and including R2001-1], has the Postal Service ever claimed in a pleading before the Postal Rate Commission that an improvement in post office box service would result from a granted post office box rate increase? [b] If so, provide details on the number of facilities that have had their service improved over the past five years, the types of improvements that have been made, the total cost of providing all of those improvements, and the total additional revenue that has been received over the past five years as a result of the rate increases as compared to not having raised the box rents at all.

**RESPONSE:**

[a] No.

[b] Not applicable.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KANEER TO  
INTERROGATORIES OF DAVID B. POPKIN

**DBP/USPS-80** With respect to the Events that are utilized to determine the Group for the determination of the fees for Post Office Box service, please clarify the conversion of the Current Classifications as shown on page 5 of USPS T-38 to the Proposed Classifications shown on page 10. Some of the classifications shown in the Proposed listing do not appear to be possible under the Current listing. For example, Proposed Group 2 has former Group B2 with cost per sq. ft.  $< \$12.50$  however, Current Group B2 only has costs that are  $\geq \$12.50$ . Another example, Proposed Group 2 has former Group C4 with cost per sq. ft.  $\geq \$10.00$  however, Current Group C4 only has costs that are  $< \$10.00$ . Please clarify and explain all inconsistent conversions including the two examples provided.

**RESPONSE:**

The proposed classifications on page 10 show all possibilities for completeness, even if no boxes may be found in a particular cell. See the "transition matrix" provided in USPS-T-38, Exhibit A, page 1, which shows that no boxes end up in the classifications which concern you.

**DECLARATION**


I, Kirk T. Kaneer, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

*Kirk T. Kaneer*

Dated: DECEMBER 21, 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.

  
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December 21, 2001