

UNITED STATES OF AMERICA  
Before The  
POSTAL RATE COMMISSION

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POSTAL RATE COMMISSION  
OFFICE OF THE CONSUMER ADVOCATE

Postal Rate and Fee Changes, 2001 )

Docket No. R2001-1

OFFICE OF THE CONSUMER ADVOCATE  
COMMENTS ON NOTICE OF INQUIRY NO. 1  
CONCERNING PROPOSED DMCS CHANGES  
(February 21, 2002)

The OCA hereby comments upon the Commission's Notice of Inquiry No. 1 ("NOI")<sup>1</sup> issued in this docket whereby the Commission indicated its intent to reject the Postal Service's proposal in its original Request to modify the Domestic Mail Classification Schedule (DMCS) listings of combinations of special services that either must be used together or may be used in conjunction with each other.

The NOI stated that the Commission intends to retain the current special services combination listings and thus reject the proposed changes to the DMCS that would reduce the amount of information it contains. (NOI at 3.) Subsequently, pursuant to the NOI, the Postal Service withdrew its request to change the DMCS and, accordingly, modified the stipulation and agreement it had filed in this proceeding.<sup>2</sup>

The Postal Service's notice of withdrawal did not resolve all of the questions raised in the NOI. The Commission's NOI further requested comment on the Commission's own proposals discussed in the NOI including particularly those within

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<sup>1</sup> Notice of Inquiry No. 1 Concerning Proposed DMCS Changes, Docket No. R2001-1, February 1, 2002.

<sup>2</sup> Notice of the United States Postal Service Withdrawing Proposals and Submitting Revised Stipulation and Agreement, Docket No. R2001-1, February 13, 2002.

Attachment A of the NOI titled "Special Services Classification Schedule." The Commission specifically asks for comment upon Attachment A that is intended to resolve potential inaccuracies contained within the existing DMCS. (NOI at 4.) The Notice indicates that the Commission would consider implementing the alternative solution contained in Attachment A "if participants express support for the alternative solution, and if there is no substantive objection to its implementation." The Commission also requested comment on ideas for "future modifications to simplify, clarify, and otherwise improve the value of the DMCS descriptions of special services." (NOI at 10-11)

In the NOI, the Commission expressed the desire to revise the DMCS to provide accurate lists of the available combinations of special services that clearly explain the prerequisites for purchasing or using each of the special services. It also expressed the desire to include "prohibitions, limitations, and mandatory usage requirements affecting the availability of a special service," all under an "Availability" subheading for each special service. The Commission stated the DMCS should include a list of "additional special services" that *may* be combined with the subject special service under an "Other Services" subheading. The Commission also suggested that the "Other Services" heading include situations where "use or purchase of a different special service is required before use or purchase of the subject special service."

The Postal Service's notice withdrawing its proposal to modify the special services language indicates its continued preference for removing the listing of special service combinations from the DMCS. The Postal Service opposes incorporating the substance of the changes suggested in Attachment A to the NOI. The Postal Service

believes the proposals "raise significant issues that should be explored in a constructive dialogue in a future case, either before or during the next omnibus rate case." (Notice at 3.) The Postal Service further notes that it "welcomes the opportunity in a future proceeding to express its views on all aspects of its and the Commission's proposals for change."

### DISCUSSION

The OCA favors the kinds of improvements and changes suggested by the Commission in Attachment A to the NOI. As a general matter, it is of course highly desirable that the DMCS be clear and helpful to mailers and the general public. The proposals presented by the Commission clearly further that goal. The OCA also concurs with the Commission that the Postal Service had failed to justify its proposal to eliminate the combination listings. Furthermore, the limited evidentiary record developed through the stipulation and agreement process has added nothing else to the record to support the Postal Service's original proposal.

The Commission requested discussion of the impact of eliminating the combination listings upon the Commission's ability to exercise jurisdiction over the availability of special service combinations and whether the elimination of the listing would be tantamount to the Commission's ceding of jurisdiction over these issues. It is the OCA's view that, even absent listings of special service combinations in the DMCS, the Postal Service could not lawfully alter substantively the combinations available without prior Commission review. Thus, any substantive changes in service combinations, even if the combinations are not listed in the DMCS, must be first reviewed by the Commission and, upon review, recommendations made as to their

appropriateness before being implemented by the Postal Service. By including in its rate proposal the request to remove the listing of combinations of special services from the DMCS, the Postal Service recognized it is not lawfully allowed to even alter a listing of the special service combinations in the DMCS without prior Commission review.<sup>3</sup> If even a change in listing of special service combinations requires Commission review, most certainly a substantive change in the combinations of special services requires Commission review. As the Commission noted in the NOI, "Review of Postal Service proposals for changes to special services is an important statutory function of the Commission. See *National Association of Greeting Card Publishers v. United States Postal Service*, 569 F.2d 570, 594-598 (1976); § 3623(c)." (NOI at 2.)

The Commission suggested it would reconsider implementing Attachment A if no substantive objections are raised to its implementation. The OCA does not oppose consideration at this time of altering the listing combinations for better accuracy and clarity. The Postal Service's notice recognizes that there is merit in some but not all of the proposals in Attachment A and opposes implementing the substance of the Attachment A proposals in this proceeding. (Notice at 3.)

The Commission proposals to include three subjects in the "Availability" section are reasonable. Also, the Commission's intention to include under an "Other Services" subheading services that may be used in conjunction with the service or where the specified service is a prerequisite for other services is desirable as it would provide

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<sup>3</sup> The Commission is able to reject the proposal in the current case without undercutting the stipulation and agreement inasmuch as neither the Postal Service in the stipulation and agreement nor the Commission are altering rates or classifications, only adjusting the method of expressing the *status quo*. The Commission's action did, however, assure that it reserved its rights to review any future combination changes that may be deemed classification changes. By continuing to list the combinations, the Commission prevents the Postal Service from altering the special service combinations without notifying the Commission. Under the Postal Service approach,

more information for mailers and would improve the clarity of the DMCS. These modifications should be implemented as soon as an appropriate opportunity arises.

The Commission also notes the necessity of improving the consistency of headings in the DMCS special service sections using a standardized framework. (NOI at 8.) After reviewing the proposed changes in Attachment A, the OCA agrees that the proposals in Attachment A will improve the clarity of the DMCS for the special services portion of the DMCS. Although reasonable persons could propose different title headings, the Commission's proposals for each special service appear appropriate and clear. The OCA suggests that further clarity as to the interaction of special services could be included in the appropriate document using a table that offers a quick overview of the interplay of the special services. Such a table was included as Exhibit 1 to the response of the Postal Service to interrogatory OCA/USPS-116 (Tr. 10B/3274) in this proceeding and is attached to these comments for the Commission's convenience.

As the Commission notes, many of the current subheadings are only sporadically used and confuse the readability. For instance, on the Commission's Table 1 of the NOI (NOI at 9), seven of the seventeen subheadings are used for only one of the special services, two others of the seventeen subheadings apply to only two of the special services, and only three of the seventeen subheadings appear in two other special services. Thus, eleven of seventeen subheadings appear so infrequently as to warrant their elimination or inclusion within other subheadings. The OCA concurs with the Commission statement (NOI at 9) that general guidelines are appropriate to determine the material to be included in the subheadings of a new framework.

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substantive adjustments to the service combinations might have been made at the will of the Postal Service without Commission knowledge and review for accuracy, consistency, or reasonableness.

Respectfully submitted,



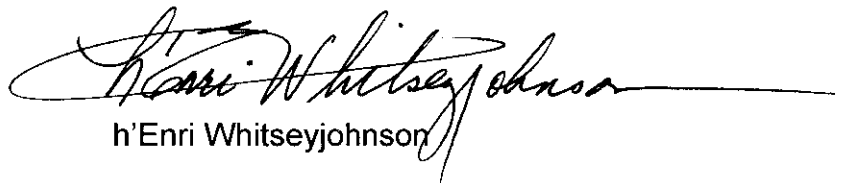
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CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with Rule 12 of the rules of practice.



h'Enri Whitseyjohnson

Washington, D.C. 20268-0001  
February 21, 2002

**RESPONSE OF UNITED STATES POSTAL SERVICE TO  
INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**EXHIBIT 1: SPECIAL SERVICE AVAILABILITY TABLE**

Mail Class	Registered	Insurance up to \$50	Insurance >\$50	Expr Mail Insur	Certified	COD	Return Receipt	Ret Rcpt for Merch	Restricted Deliv	Delivery Confirmation	Signature Confirmation	Special Handling	PAL	Certificate of Mailing
Express Mail Post Office-Post Office	No	No	No	Yes	No	Yes	Yes	No	No	No	No	No	No	No
Express Mail Post Office-Addressee	No	No	No	Yes	No	Yes	Yes	No	No	No	No	No	No	No
Priority Mail	Yes	Yes	Yes	No	Yes	Yes	9	Yes	9	Yes	Yes	Yes	No	Yes
First-Class Mail	Yes	Yes	Yes	No	Yes	Yes	9	No	9	No	No	Yes	No	Yes
Code "9" means the service is a dependent service, only available if the article is certified, registered, COD, or insured for \$50 or more.														

Special Service	Registered	Insurance up to \$50	Insurance >\$50	Expr Mail Insur	Certified	COD	Return Receipt	Ret Rcpt for Merch	Restricted Deliv	Delivery Confirmation	Signature Confirmation	Special Handling	PAL	Certificate of Mailing
Registered	Yes	No	No	No	No	Yes	Yes	No	Yes	Yes	Yes	No	No	No
Insurance up to \$50	No	Yes	No	No	No	No	No	Yes	No	Yes	Yes	Yes	Yes	No
Insurance over \$50	No	No	Yes	No	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	No
Express Mail Merch Insurance	No	No	No	Yes	No	No	Yes	No	No	No	No	No	No	No
Certified	No	No	No	No	Yes	No	Yes	No	Yes	No	No	No	No	No
COD	Yes	No	No	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No
Return Receipt	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No
Return Receipt for Merchandise	No	Yes	No	No	No	No	No	Yes	No	Yes	No	Yes	Yes	No
Restricted Delivery	Yes	No	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No
Delivery Confirmation	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Signature Confirmation	Yes	Yes	Yes	No	No	Yes	Yes	No	Yes	No	Yes	Yes	Yes	No
Special Handling	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Parcel Airlift (PAL)	No	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
Certificate of Mailing	No	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes