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

EXPERIMENTAL RATE AND SERVICE CHANGES
TO IMPLEMENT NEGOTIATED SERVICE AGREEMENT
WITH CAPITAL ONE SERVICES, INC.

Docket No. MC2002-2

AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORIES TO UNITED STATES POSTAL SERVICE WITNESS JAMES D. WILSON (APWU/USPS-T4-1-12)

(November 1, 2002)

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the American Postal Workers Union, AFL-CIO ("APWU") hereby submits interrogatories and requests for production of documents to Witness James D. Wilson.

Respectfully submitted,

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Counsel for American Postal Workers Union, AFL-CIO

CERTIFICATION

I hereby certify that I have this date served the following document in accordance with the rules of practice.

Susan L. Catler

O'Donnell, Schwartz and Anderson, P.C. 1300 L Street NW Suite 1200 Washington, DC 20005-4126 Docket No. MC2002-2

APWU/USPS-T4-1. Please provide a detailed explanation of any changes the Postal Service has made to its processes for handling Undeliverable-As-Addressed mail since the time period studied in the September 1999 report entitled "Volumes, Characteristics, and Costs of Processing Undeliverable-As-Addressed Mail" and indicate when each change was implemented.

APWU/USPS-T4-2. On page 7 of your testimony you mention recent enhancements to the Address Change Service (ACS) program that will impact the percent of mail that will receive electronic notification through the ACS system. Please describe each of those enhancements, when it was or will be implemented, and how each factored into the estimates of the percent of mail that will receive electronic notification that you presented on page 7 of your testimony.

APWU/USPS-T4-3. Will PARS affect handling and costs associated with Undeliverable-As-Addressed mail pieces? If so, please describe process changes associated with PARS, when these process changes will be implemented and their effect on costs.

APWU/USPS-T4-4. What other enhancements to the handling of Undeliverable-As-Addressed mail pieces is the Postal Service currently testing/planning that could impact any of the costs associated with handling Undeliverable-As-Addressed mail or the percent of Undeliverable-As-Addressed mail that will receive electronic notification through the Address Change Service (ACS) system? What is the time frame anticipated for deploying each of these enhancements?

APWU/USPS-T4-5. Was the introduction of Change Service Requested option 2 a direct result of the Postal Service's negotiations for this proposed Negotiated Service Agreement? Was Change Service Requested option 2 being considered prior to the commencement of negotiations leading to the proposed Negotiated Service Agreement between Capital One Services, Inc. and the United States Postal Service?

APWU/USPS-T4-6. Will the fees charged for Change Service Requested option 2 (for users other than Capital One) differ from the fees charged for the current Change Service Requested option? If not, what will be charged and will the institutional cost coverage for this service change based on the fact that the mail will be forwarded instead of destroyed?

APWU/USPS-T4-7. How many and what proportion of current users of Change Service Requested (CSR) are expected to change to CSR option 2 once the Postal Service begins to offer it? What proportion of the volume of the current users of CSR does this represent? Does the Postal Service anticipate that First Class users of other endorsements will change to CSR option 2? If so, what other endorsements are they now using and how many and what proportion of users of each endorsement are anticipated to change? What proportion of the volume of current First Class users of other endorsements does this represent? Does the Postal Service anticipate that other First Class mailers who, like Capital One, are not currently using any endorsements, will start using CSR option 2? What is the expected volume of CSR option 2?

APWU/USPS-T4-8. In what ways does the information provided by Address Change Service (ACS) differ from information available through the National Change-of-Address (NCOA) system? What are the sources of information that are used for each of these systems? Are these systems updated at different times? Is updated information in these two systems available at different times?

APWU/USPS-T4-9. In your response to OCA/USPS-T4-6, you state that volume data for First Class mail physically returned and forwarded through the Computerized Forwarding System (CFS) unit are not available for FY2000. Please explain why such data are not available. In the same answer you imply that total First Class mail returned volumes and forwarded volumes are larger than the volumes worked through the Computerized Forwarding System (CFS). Please describe the circumstances in which First Class returned or forwarded mail is not worked through CFS and estimate the non-CFS volume for each. You indicate presort volumes cannot be identified separately through the CFS. Is there any other method by which the volume of physically returned presort mail can be identified?

APWU/USPS-T4-10. Please reconcile the First Class physically returned volumes you report in your response to OCA/USPS-T4-6 with USPS witness Crum's 1.23% average presort letter return percentage shown in Attachment A, page 2 of USPS-T-3.

APWU/USPS-T4-11. The volumes for both First Class physically returned mail and First Class forwarded mail in FY 2002 declined from their levels in FY 2001. Can this decline be attributed solely to the decline in First Class mail volume in FY 2002 or were there improvements in the system or processes used that also impacted these numbers? If there were improvements in the system or processes used that also impacted these numbers, please detail each improvement and indicate when it was implemented.

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APWU/USPS-T4-12. Please confirm that in your response to OCA/USPS-T4-5, your answer to (b) is only for First Class mail. If you cannot confirm this, please identify all classes of mail that are included. Are the FY 2002 numbers for (b) and (c) available? If they are, please provide them. If they are not, please provide them when they are available.