

UNITED STATES OF AMERICA  
Before The  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

Experimental Changes to Implement )  
Capital One NSA )

Docket No. MC2002-2

OFFICE OF THE CONSUMER ADVOCATE  
INTERROGATORIES TO UNITED STATES POSTAL SERVICE  
WITNESS JAMES D. WILSON  
(OCA/USPS-T4-13-23)  
November 5, 2002

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Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-1-2 dated October 3, 2002, are hereby incorporated by reference.

Respectfully submitted,

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OCA/USPS-T4-13. Please refer to your response to OCA/USPS-T4-6.

- (a) Please confirm that in FY 2001, for every First-Class mailpiece physically returned through the Computerized Forwarding System (CFS) unit, 4.89 (384,040,959/1,878,519,905) pieces were forwarded. If you do not confirm, please explain and provide the correct ratio.
- (b) Please confirm that in FY 2002, for every First-Class mailpiece physically returned through the CFS unit, 5.00 (367,191,524/1,839,557,232) pieces were forwarded. If you do not confirm, please explain and provide the correct ratio.

OCA/USPS-T4-14. Please refer to your response to OCA/USPS-T2-18(a). Please state whether a net savings/loss results to the Postal Service from the following types of handling of UAA First-Class machinable letter mailpieces that cannot be forwarded (and thus must be returned; assume a percentage figure for forwarding equal to the First-Class average):

- (a) Change Service Requested, Option 2, offered at no charge to a First-Class mailer that *is currently* an ACS/**CSR** participant, and whose return volumes *exceed* the average percentage of First-Class returns. Please display all calculations and cite all sources to provide this answer.
  - i. Discuss specifically how the \$15 cost for setting up ACS service with a participant (your response to interrogatory OCA/USPS-T4-9.d.) affects the Postal Service's net savings/loss position.
  - ii. Discuss specifically how the "85 percent" figure presented at page 7, line 4, of your testimony affects the Postal Service's net savings/loss position.

- iii. Give a hypothetical example of such a participant, using specific assumed volume and percentage return figures for the hypothetical participant.
- (b) Change Service Requested, Option 2, offered at no charge to a First-Class mailer that *is currently* an ACS/**CSR** participant, and whose return volumes are *equal to* the average percentage of First-Class returns. Please display all calculations and cite all sources to provide this answer.
- i. Discuss specifically how the \$15 cost for setting up ACS service with a participant (your response to interrogatory OCA/USPS-T4-9.d.) affects the Postal Service's net savings/loss position.
  - ii. Discuss specifically how the "85 percent" figure presented at page 7, line 4, of your testimony affects the Postal Service's net savings/loss position.
  - iii. Give a hypothetical example of such a participant, using specific assumed volume and percentage return figures for the hypothetical participant.
- (c) Change Service Requested, Option 2, offered at no charge to a First-Class mailer that *is currently* an ACS/**CSR** participant, and whose return volumes are *below* the average percentage of First-Class returns. Please display all calculations and cite all sources to provide this answer.
- i. Discuss specifically how the \$15 cost for setting up ACS service with a participant (your response to interrogatory OCA/USPS-T4-9.d.) affects the Postal Service's net savings/loss position.
  - ii. Discuss specifically how the "85 percent" figure presented at page 7, line 4, of your testimony affects the Postal Service's net savings/loss position.

- iii. Give a hypothetical example of such a participant, using specific assumed volume and percentage return figures for the hypothetical participant.
- (d) Change Service Requested, Option 2, offered at no charge to a First-Class mailer that is *not* currently an ACS/**CSR** participant but subsequently could become such a participant, and whose return volumes *exceed* the average percentage of First-Class returns. Please display all calculations and cite all sources to provide this answer.
- i. Discuss specifically how the \$15 cost for setting up ACS service with a participant (your response to interrogatory OCA/USPS-T4-9.d.) affects the Postal Service's net savings/loss position.
  - ii. Discuss specifically how the "85 percent" figure presented at page 7, line 4, of your testimony affects the Postal Service's net savings/loss position.
  - iii. Give a hypothetical example of such a participant, using specific assumed volume and percentage return figures for the hypothetical participant.
- (e) Change Service Requested, Option 2, offered at no charge to a First-Class mailer that is *not* currently an ACS/**CSR** participant but subsequently could become such a participant, and whose return volumes are *equal to* the average percentage of First-Class returns. Please display all calculations and cite all sources to provide this answer.
- i. Discuss specifically how the \$15 cost for setting up ACS service with a participant (your response to interrogatory OCA/USPS-T4-9.d.) affects the Postal Service's net savings/loss position.

- ii. Discuss specifically how the “85 percent” figure presented at page 7, line 4, of your testimony affects the Postal Service’s net savings/loss position.
  - iii. Give a hypothetical example of such a participant, using specific assumed volume and percentage return figures for the hypothetical participant.
- (f) Change Service Requested, Option 2, offered at no charge to a First-Class mailer that is currently an ACS/**CSR** participant but subsequently could become such a participant, and whose return volumes *are below* the average percentage of First-Class returns. Please display all calculations and cite all sources to provide this answer.
- i. Discuss specifically how the \$15 cost for setting up ACS service with a participant (your response to interrogatory OCA/USPS-T4-9.d.) affects the Postal Service’s net savings/loss position.
  - ii. Discuss specifically how the “85 percent” figure presented at page 7, line 4, of your testimony affects the Postal Service’s net savings/loss position.
  - iii. Give a hypothetical example of such a participant, using specific assumed volume and percentage return figures for the hypothetical participant.

OCA/USPS-T4-15. Please refer to your response to OCA/USPS-T2-18(a). Please state whether a net savings/loss results to the Postal Service from the following types of handling of UAA First-Class machinable letter mailpieces that cannot be forwarded (and thus must be returned; assume a percentage figure for forwarding equal to the First-Class average):

- (a) Change Service Requested, Option 2, offered at no charge to a First-Class mailer that *is currently* an ACS/**ASR** participant, and whose return volumes *exceed* the average percentage of First-Class returns. Please display all calculations and cite all sources to provide this answer.
- i. Discuss specifically how the \$15 cost for setting up ACS service with a participant (your response to interrogatory OCA/USPS-T4-9.d.) affects the Postal Service's net savings/loss position.
  - ii. Discuss specifically how the "85 percent" figure presented at page 7, line 4, of your testimony affects the Postal Service's net savings/loss position.
  - iii. Give a hypothetical example of such a participant, using specific assumed volume and percentage return figures for the hypothetical participant.
- (b) Change Service Requested, Option 2, offered at no charge to a First-Class mailer that *is currently* an ACS/**ASR** participant, and whose return volumes are *equal to* the average percentage of First-Class returns. Please display all calculations and cite all sources to provide this answer.
- i. Discuss specifically how the \$15 cost for setting up ACS service with a participant (your response to interrogatory OCA/USPS-T4-9.d.) affects the Postal Service's net savings/loss position.
  - ii. Discuss specifically how the "85 percent" figure presented at page 7, line 4, of your testimony affects the Postal Service's net savings/loss position.
  - iii. Give a hypothetical example of such a participant, using specific assumed volume and percentage return figures for the hypothetical participant.

- (c) Change Service Requested, Option 2, offered at no charge to a First-Class mailer that *is currently* an ACS/**ASR** participant, and whose return volumes are *below* the average percentage of First-Class returns. Please display all calculations and cite all sources to provide this answer.
- i. Discuss specifically how the \$15 cost for setting up ACS service with a participant (your response to interrogatory OCA/USPS-T4-9.d.) affects the Postal Service's net savings/loss position.
  - ii. Discuss specifically how the "85 percent" figure presented at page 7, line 4, of your testimony affects the Postal Service's net savings/loss position.
  - iii. Give a hypothetical example of such a participant, using specific assumed volume and percentage return figures for the hypothetical participant.
- (d) Change Service Requested, Option 2, offered at no charge to a First-Class mailer that is *not* currently an ACS/**ASR** participant but subsequently could become such a participant, and whose return volumes *exceed* the average percentage of First-Class returns. Please display all calculations and cite all sources to provide this answer.
- i. Discuss specifically how the \$15 cost for setting up ACS service with a participant (your response to interrogatory OCA/USPS-T4-9.d.) affects the Postal Service's net savings/loss position.
  - ii. Discuss specifically how the "85 percent" figure presented at page 7, line 4 of your testimony affects the Postal Service's net savings/loss position.
  - iii. Give a hypothetical example of such a participant, using specific assumed volume and percentage return figures for the hypothetical participant.

- (e) Change Service Requested, Option 2, offered at no charge to a First-Class mailer that is *not* currently an ACS/**ASR** participant but subsequently could become such a participant, and whose return volumes are *equal to* the average percentage of First-Class returns. Please display all calculations and cite all sources to provide this answer.
- i. Discuss specifically how the \$15 cost for setting up ACS service with a participant (your response to interrogatory OCA/USPS-T4-9.d.) affects the Postal Service's net savings/loss position.
  - ii. Discuss specifically how the "85 percent" figure presented at page 7, line 4, of your testimony affects the Postal Service's net savings/loss position.
  - iii. Give a hypothetical example of such a participant, using specific assumed volume and percentage return figures for the hypothetical participant.
- (f) Change Service Requested, Option 2, offered at no charge to a First-Class mailer that is *not* currently an ACS/**ASR** participant but subsequently could become such a participant, and whose return volumes *are below* the average percentage of First-Class returns. Please display all calculations and cite all sources to provide this answer.
- i. Discuss specifically how the \$15 cost for setting up ACS service with a participant (your response to interrogatory OCA/USPS-T4-9.d.) affects the Postal Service's net savings/loss position.
  - ii. Discuss specifically how the "85 percent" figure presented at page 7, line 4, of your testimony affects the Postal Service's net savings/loss position.

- iii. Give a hypothetical example of such a participant, using specific assumed volume and percentage return figures for the hypothetical participant.

OCA/USPS-T4-16 Please refer to your testimony at page 3, lines 15-16, where it states “Keylines are required if the mailer wants to receive electronic ACS notifications for UAA mail pieces that are not move-related.” Also, please refer to your response to OCA/USPS-T1-1(a), where it states “the insertion of these values [ACS Participant Code and keyline] does not generate an electronic notification for ASR-endorsed UAA pieces that are not move-related.” Please reconcile or clarify these statements.

OCA/USPS-T4-17. Please refer to Section V. of your testimony on pages 6-7.

- (a) Please confirm that 15 (1-0.85) percent of mail bearing an ASC endorsement will not receive electronic notification. If you do not confirm, please explain.
- (b) Please state whether the following types of mail pieces are included in the 15 percent of ACS-endorsed pieces not receiving electronic notification:
  - i. ASR pieces that are move-related, but which are in a region of the country not served by a CFS unit.
  - ii. ASR pieces that are move-related, within 12 months of a recipient’s move, and which are in a region of the country served by a CFS unit.
  - iii. ASR pieces that are move-related, have a COA order more than 12 months older than a recipient’s move, and which are in a region of the country served by a CFS unit.

- iv. ASR pieces that are not move-related and which are in a region of the country not served by a CFS unit.
  - v. ASR pieces that are not move-related, within 12 months of a recipient's move, and which are in a region of the country served by a CFS unit.
  - vi. ASR pieces that are not move-related, have a COA order more than 12 months older than a recipient's move, and which are in a region of the country served by a CFS unit.
  - vii. CSR pieces that are move-related, but which are in a region of the country not served by a CFS unit.
  - viii. CSR pieces that are move-related, within 18 months of a recipient's move, and which are in a region of the country served by a CFS unit.
  - ix. CSR pieces that are not move-related and which are in a region of the country not served by a CFS unit.
  - x. CSR pieces that are not move-related, within 18 months of a recipient's move, and which are in a region of the country served by a CFS unit.
- (c) For each type of mailpiece described in part (b), i. – x., above, state whether the mailpiece would be forwarded (accompanied by an electronic notice of the new address), forwarded (but not accompanied by an electronic notice of the new address), physically returned (accompanied by an electronic notice of the reason for the return), physically returned (but not accompanied by an electronic notice of the reason for the return), or not physically returned (but an electronic notice of the reason for the return would be provided).

- (d) Please state the 10 most common reasons (non-move-related) for mail to be UAA.
- (e) For each of the types of mailpieces listed in part (b), i. – x., above, state how the Postal Service handles each type of piece from the time the piece is received by the carrier through and including the last operation performed by the Postal Service.
- (f) If possible, break down the 15 percent figure cited in part (b) above by the 10 types of ACS pieces (i.e., part (b), i. – x.) listed. If precise figures are unavailable, then based upon your knowledge (USPS-T-4 at 7), rank the types of pieces by their frequency of occurrence. Also based upon your knowledge, give a ballpark-estimate-type breakdown of the 15 percent figure if precise figures are unavailable.

OCA/USPS-T4-18. Please refer to your testimony at page 6, lines 4-5, where it states, “The ACS participant then can download the information and perform an automated process to update its address files.”

- (a) Is an ACS participant required to download ACS information daily, or on some other regular basis? Please explain.
- (b) Does the Postal Service automatically transmit electronic ACS information to ACS participants daily, or on some other regular basis? If so, please explain the process.

- (c) When an ACS participant downloads ACS information, is the “automated process” to update that participant’s address files accomplished automatically upon completion of the download? Please explain.
- (d) Does the Postal Service make software available to permit the ACS participant to perform the automated process to update its address files? Please explain.
- (e) Please list the commercial vendors (if any) that offer software to permit the ACS participant to perform the automated process to update its address files.

OCA/USPS-T4-19. Please refer to your testimony at page 5, lines 2-4, where it refers to the “CFS processing center.”

- (a) How many CFS processing centers does the Postal Service operate?
- (b) What types of postal employees (i.e., craft, full-time, part-time, temporary, etc.) staff the postal-operated CFS processing centers?
- (c) How many CFS processing centers do contractors of the Postal Service operate?
- (d) What types of employees (i.e., unionized or non-unionized, full-time, part-time, temporary, etc.) staff the contractor-operated CFS processing centers?
- (e) Please provide the locations of the CFS processing centers identified in parts (a) and (c) of this interrogatory.
- (f) Please confirm that every carrier delivery unit sends its undeliverable-as-addressed (UAA) CSR-endorsed First-Class Mail to a CFS processing center. If you do not confirm, please explain, and provide an estimate of the number of carrier delivery units that do not send UAA CSR-endorsed First-Class Mail to a CFS processing center and the number of delivery points affected. Also, please

provide the reasons that UAA CSR-endorsed First-Class Mail may not be sent to a CFS processing center.

- (g) Please confirm that every carrier delivery unit sends its UAA ASR-endorsed First-Class Mail to a CFS processing center. If you do not confirm, please explain, and provide an estimate of the number of carrier delivery units that do not send UAA ASR-endorsed First-Class Mail to a CFS processing center and the number of delivery points affected. Also, please provide the reasons that UAA ASR-endorsed First-Class Mail may not be sent to a CFS processing center.
- (h) Please confirm that every carrier delivery unit sends its UAA First-Class Mail without any endorsement to a CFS processing center. If you do not confirm, please explain, and provide an estimate of the number of carrier delivery units that do not send UAA First-Class Mail without any endorsement to a CFS processing center and the number of delivery points affected. Also, please provide the reasons that UAA First-Class Mail without any endorsement may not be sent to a CFS processing center.

OCA/USPS-T4-20. Please refer to your testimony at page 1, lines 24, through page 2, line 1.

- (a) What do you mean by “the carrier returns the piece to the mailstream?” Please explain.
- (b) How is a piece returned to the mailstream handled; and how does this compare to the handling of a typical First-Class mailpiece that is not UAA? Please explain.

OCA/USPS-T4-21. Please refer to your testimony at page 4, lines 19 – 23.

- (a) Does the carrier handling of Address Service Requested (ASR)- or Change Service Requested (CSR)-endorsed UAA First-Class Mail differ in any way from the carrier handling of non-endorsed UAA First-Class Mail? Please describe in detail any differences.
- (b) Does the Nixie unit clerk handling of ASR- or CSR-endorsed UAA First-Class Mail differ in any way from the Nixie unit clerk handling of non-endorsed UAA First-Class Mail? Please describe in detail any differences.

OCA/USPS-T4-22. Please refer to your testimony at page 5, lines 1- 9.

- (a) What is the cost of loading ASR- and CSR-endorsed mail into a mechanized terminal desk? Provide the source for this answer.
- (b) What is the cost of manually keying information into the terminal so as to retrieve the recipient's new address? Provide the source for this answer.
- (c) What is the cost of inputting the reason for non-delivery (as noted by the carrier on the cover of the mailpiece) into the terminal? Provide the source for this answer.
- (d) What is the cost of inputting the ACS participant code and the keyline from the mailpiece into the terminal? Provide the source for this answer.

OCA/USPS-T4-23. Please refer to your testimony at page 5, lines 10 – 12.

- (a) What is the cost to the CFS center to process mail with a valid forwarding order on file? Provide the source for this answer.
- (b) What is the cost to process mail without a valid forwarding order? Provide the source for this answer.
- (c) What is the cost to discard mail that is endorsed CSR, Option 2? Provide the source for this answer.