

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

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILSON TO
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-T4-24-27)

The United States Postal Service hereby provides the responses of witness
Wilson to the following interrogatories of Office of the Consumer Advocate:
OCA/USPS-T4-24-27, filed on November 12, 2002.

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

Nan K. McKenzie

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-3089 Fax -5402
November 25, 2002

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS JAMES D. WILSON
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-T4-24. Please refer to your testimony at page 1, lines 5-7, where you discuss the Address Change Service (ACS) program. In the case of First-Class Mail, please confirm that only mailers of First-Class presort mail may become ACS participants. If you do not confirm, please explain.

RESPONSE:

Not confirmed. Any First-Class mailer, as well as any mailer within any mail class, may participate in the ACS program.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS JAMES D. WILSON
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-T4-25. Please refer to your testimony at page 4, lines 8-10.

- (a) How many ACS participant mailers used the Change Service Requested (CSR) endorsement on First-Class in FY 2000 and 2001? State the source for this answer.
- (b) Please provide the total annual volume of First-Class Mail endorsed CSR that was disposed of by the Postal Service in FY 2000 and 2001. State the source for this answer.
 - (i) How many were pieces that would have otherwise been forwarded?
 - (ii) How many were pieces that would have otherwise been physically returned?
- (c) For parts (a) and (b) of this interrogatory, please provide ballpark estimates if precise figures are unavailable.

RESPONSE:

The below information was retrieved from raw data archived by the ACS program office at the National Customer Support Center (NCSC). The raw data represents transaction records received from CFS units. The raw data does not equal the total number of ACS notices provided to customers due to quality control processes performed as part of the ACS fulfillment, such as elimination of duplicate notices or removal of records not matching the expected format. Since the raw data of ACS notices and the actual ACS notices fulfilled differs only slightly, the below data is perceived to closely approximate the information sought.

(a) Total Number of ACS Participant Codes That Used the Change Service Requested endorsement:

FY 2000	Not available, data incomplete
FY 2001	165 unique ACS participant ID numbers

(b) Total approximate volume of First-Class Mail bearing the Change Service

Requested endorsement that was discarded in:

FY 2000	Not available, data incomplete
FY 2001	2,783,320

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS JAMES D. WILSON
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE

(i) Approximate number of CSR pieces that would have otherwise been forwarded:

FY 2000	Not available, data incomplete
FY 2001	1,774,662

(ii) Approximate number of CSR pieces that would have otherwise been returned:

FY 2000	Not available, data incomplete
FY 2001	1,008,658

(c) See response to OCA/USPS-T4-25 (a) – (b).

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS JAMES D. WILSON
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-T4-26. Please refer to the Domestic Mail Manual (DMM), Issue 57, F030.5.3, where it states “Undeliverable-as-addressed mailpieces sent as Express Mail, Priority Mail, and First-Class Mail that cannot be forwarded or delivered as addressed are returned when possible to the sender at no additional charge.” Also, please refer to DMM57 F010.5.1, and the chart showing the mailer endorsement “Change Service Requested.” There it states, “Separate notice of new address or reason for nondelivery provided; in either case, address correction fee charged; piece disposed of by USPS.” Your testimony at page 4, lines 8-10, contains a statement similar to F010.5.1. Please correct or clarify the apparent inconsistency among these statements.

RESPONSE:

The electronic address correction fee is for ACS fulfillment and not for the forwarding or return of the FCM piece. First-Class UAA mail endorsed “Change Service Requested” indicates that the mailer has no desire to receive the physical return of the mailpiece, and authorizes the USPS to dispose of the mailpiece after provision of an address correction notice. Since the Change Service Requested endorsement may only be used on First-Class Mail in conjunction with ACS, the mailer is charged the address correction fee associated with the fulfillment of the ACS notification.

The first DMM section cited, F030.5.3, itself is clear about a CSR exception to the normal First-Class treatment of UAA mail: “*Exception:* Excluding pieces containing live animals, ACS pieces mailed at Priority Mail rates that are marked “Perishable” and ACS pieces mailed at First-Class Mail rates that are endorsed “Change Service Requested” and that cannot be forwarded or delivered are disposed of by the USPS.”

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS JAMES D. WILSON
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-T4-27. Please refer to your testimony at page 5, line 12. Describe the process involved in “discarding” First-Class Mail. When First-Class Mail is discarded, does the Postal Service use different disposal techniques for customer account mail than for solicitation mail? Please explain.

RESPONSE:

My understanding is that there is no difference in the disposal process of First-Class Mail depending on whether a given UAA mailpiece is customer account mail or solicitation mail. There is no standard means to discern the contents of the mailpiece; consequently, there is no means to perform different disposal techniques. The USPS depends upon the mailer to identify, using the Change Service Requested endorsement, First-Class Mail that is appropriate for disposal. If the mailer were concerned about the security of the mailpiece contents it would not utilize the Change Service Requested endorsement.

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.

Nan K. McKenzie

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
November 25, 2002