

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON DC 20268-0001

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POSTAL RATE AND FEE CHANGES, 1997

POSTAL RATE COMMISSION  
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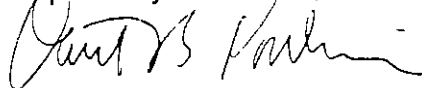
INSTITUTIONAL INTERROGATORIES OF DAVID B. POPKIN TO THE UNITED  
STATES POSTAL SERVICE AND MOTION TO FILE ALL FOLLOWUP  
INTERROGATORIES / MOTIONS TO COMPEL IN A SINGLE PLEADING

David B. Popkin hereby requests the United States Postal Service to answer, fully and completely, the following interrogatories pursuant to Rules 25 and 26 of the Commission's Rules of Practice and Procedure. Particularly since the Postal Service is encouraging cooperation from the intervenors, I request that similar cooperation in liberally interpreting the requests made by my interrogatories and provide the desired information. To reduce the volume of paper, I have combined related requests into a single numbered interrogatory, however, I am requesting that a specific response be made to each separate question asked. To the extent that a reference is made in the responses to a Library Reference, I would appreciate receiving a copy of the reference since I am located at a distance from Washington, DC. All responses should be complete without reference to any previous Postal Rate Commission dockets.

**In the event that the Postal Service does not respond to all of my interrogatories so that they are received on the same date or does not file responses within the required time or files an objection to any of my interrogatories, I request a waiver of the filing time rules which will allow me file all of my follow-up interrogatories that may be required or file a response to any USPS objection to my interrogatories at the same time in a single mailing made on the latest date as calculated for all of the USPS separate responses and pleadings.**

September 8, 1997

Respectfully submitted,



DBP/USPS-1        The initial filing by the Postal Service contained some 215 library references. The description of these library references is usually only a few words which makes it difficult for a participant to determine the content and significance of the reference without coming to Washington to consult it. Please provide a more comprehensive description of each of the presently filed library references and those in the future that will allow an intervenor to adequately determine the content and significance of the reference.

DBP/USPS-2        *The initial filing by the Postal Service contained some 18* workpapers of the various witnesses. There is no description of the content and significance of these workpapers which makes it difficult for a participant to determine the content and significance of them without coming to Washington to consult them. Please provide a comprehensive description of these workpapers.

DBP/USPS-3        On January 3, 1997, I was advised in a letter from Attorney David H. Rubin, stating in part, that, "I must remind you that requests for materials related to Postal Rate Commission cases must be directed to the attorneys for the case, and not to witnesses or other Postal Service employees or consultants. Our position on this does not depend on whether you learn of the materials by some means other than a filing in the case. Please respect this practice in the future." On January 7, 1997 [with unanswered follow-up letters on February 14, March 14, April 14, May 14, June 11, July 11 and August 9, 1997], I wrote to Mr. Rubin, stating in part, "With respect to your comments in the second paragraph of your letter, can you provide me with a copy of the regulation or practice which appears to be taking away my rights as a mailer and member of the general public in doing business and communicating with any of the three-quarters of a million plus employees and consultants of the Postal Service." [a] Is there any such regulation or practice? [b] If so, please provide me with copies of it.

[c] Does Section 167.24 of the Postal Operations Manual [POM] state that the postal employee must acknowledge receipt of the letter within 24 hours? [d] Does Section 167.31 of the POM state that a quick response should be made? [e] Does Management Instruction PO-250-91-3 dated April 12, 1991, mandate a response within 14 calendar days which is comprehensive and either correct[s] the problem or explain[s] to the customer why the problem cannot be corrected? [f] If there is such a regulation or practice, how can one obtain prompt resolution of any questions with the Postal Service when eight letters sent to the Postal Service over an eight month period have gone unanswered?

DBP/USPS-4      [a] Confirm that the Postal Service sells postage stamps as one of the methods for securing revenue for many of the postal services that it provides. [b] Confirm that the Postal Service is paid for each of the postage stamps that it sells to the public. [c] Confirm that if reproductions of postage stamps, rather than actual stamps for which compensation had been received, were utilized on mail matter being sent by the public, the Postal Service would be deprived of revenue that it is entitled to receive and which is contemplated for under the various rates [such as those being proposed in this case]. [d] Confirm that one of the reasons for the provisions of Section 504 of Title 18, United States Code, is to preclude the use of such reproductions, or color copies, of United States postage stamps in lieu of actual postage stamps. [e] Confirm that this is accomplished, in part, by requiring that all color copies of uncanceled postage stamps be less than 75% or more than 150% of actual size. [f] Does the United States Postal Service itself make and distribute printed and other matter which contains color copies of uncanceled postage stamps which are within the "restricted range" of 75 to 150% of actual size? [g] Confirm that if so, this could pose a potential loss of revenue to the Postal Service of their own making? [h] Does the Postal Service have a procedure in place to ensure that any color copies of uncanceled postage stamps are either less than 75% or more than 150% of actual size? [i] If not, why not? If so, provide details and specifics. [j] What action does the Postal Service take if they are informed that their own printed or other matter contains color copies of uncanceled postage stamps

within the 75 to 150% range? [k] Would the Postal Service recall the item or continue to distribute it? [l] If they would continue to distribute the item, explain why? [m] If you are unable to confirm any of the previous subparts of this interrogatories, explain in detail why you are not able to do so.

DBP/USPS-5        USPS Postal News Release Number 69 dated July 23, 1997 indicates that new machines were purchased to sort newspapers and magazines. These machines are expected to save at least \$75 million annually. Release Number 70 dated July 29, 1997 indicates plans to automate non-barcoded flat mail with a planned saving of more than \$100 million annually. [a] Provide a complete listing of all planned or announced purchases or improvements announced or planned in the past year which are expected to result in a savings of \$5 million annually [for each of the specific items]. [b] How are each of the expected savings accounted for in this Docket?

DBP/USPS-6        With respect to the performance goals which have been established for the delivery of mail as noted in response to Rule 54[n], [a] is ODIS still utilized by the Postal Service? [b] If so, provide a copy of the last report. [c] Confirm that Price Waterhouse conducts external measurements [EXFC] to evaluate delivery performance. [d] What classes of mail does the EXFC program measure? [e] Confirm that the EXFC measures performance in 96 areas in the country? [f] What percentage of the country's mail do these 96 areas represent? [g] What measurements are made of the delivery performance in areas which are outside the 96 EXFC areas? [h] Are there any plans to extend the EXFC program beyond the existing 96 areas? [i] If so, provide details. If not, why not? [j] Does the Postal Service utilize any procedures designed to improve the EXFC results? [k] If so, enumerate the procedures which are utilized. [l] Are there any instances where the procedures specified in subpart k are utilized in only the EXFC areas in any given District or Area and are not utilized in the non-EXFC areas of the same District or Area? Some of these procedures might include methods of expediting the redirection of missent mail or utilizing collection box scanning

procedures. [m] If so, specify and enumerate. [n] Are there instances where the time shown on the collection box label is deliberately made well before the actual collection time [such as the box being marked at 9 AM even though the box is collected in the afternoon] so as to reduce the likelihood of the collection box being collected early? [o] If so, specify and enumerate. [p] Do Sections 313.2 and 313.3 of the POM require that all motorized collections be made between the time shown on the label and 20 minutes after that time and all letter carrier collections of residential boxes be made after the time shown on the label and to the extent practicable no later than 20 minutes after the time shown on the label? [q] If not, explain. [r] Would the conditions described in subpart n meet the requirements of POM Sections 313.2 and 313.3? [s] If so, explain. [t] Confirm that the "extent practicable" in Section 313.3 relates to the fact that start of the 20 minute collection time window starting at the label time should be the time that the letter carrier will normally be in the area to collect the box and that it will never be collected early and that there may be some instances where the carrier may be delayed in covering the route so as to arrive more than 20 minutes after the label time. [u] If not, why not? [v] Does Price Waterhouse mail more than one letter in any given collection box on any given day? [w] If so, elaborate and explain. [x] If more than one letter is mailed and there is a failure in the collection or processing of that box, how does that affect the results? [y] Is there any feedback provided by Price Waterhouse to the Postal Service with respect to the possible causes for delayed mail? [z] What percentage of the EXFC mail is non-letter size mail? [aa] What percentage of all First-Class Mail is non-letter size mail? Responses to subparts aa, cc, and ee should be made to provide the most appropriate calculation to attempt to confirm that the EXFC program is attempting to match the actual mail characteristics. Provide details on how each calculation was performed. [bb] What percentage of the EXFC mail is flat size? [cc] What percentage of all First-Class Mail is flat size? [dd] What percentage of the EXFC mail is hand addressed [as opposed to typed/printed]? [ee] What percentage of all First-Class Mail is hand addressed? [ff] Explain any differences between the responses to subparts aa, cc, and ee and their corresponding EXFC value. [gg] Are there any data which is developed in the EXFC program or other Postal Service data

collection which relates specifically to the delivery performance of different shapes and categories of First-Class Mail including flats as well as hand-addressed mail? [hh] If so, provide the data for the past year. [ii] If not, explain why this data is not collected. [jj] Provide a full and complete listing of the methodology utilized for the EXFC program.

DBP/USPS-7 In regard to the Service Commitments / performance goals for First-Class Mail, with regard to the delivery standards realignment that took place as a result of Docket N89-1 along with the experimental [which became permanent on September 23, 1989] realignment that took place prior to that in the Metropolitan New York City area, what percentage of the mail profile prior to that Docket and experiment shifted from [a] one-day to two-day delivery, [b] one-day to three-day delivery, [c] two-day to one-day delivery, [d] two-day to three-day delivery, [e] three-day to one-day delivery, and [f] three-day to two-day delivery? [g] What were the purposes of this realignment? [h] Did this realignment result in an increase in or a savings of costs associated with the mail processing and transportation [or any other areas]? [i] If so, provide the yearly change in costs for each year since the change. [j] Did this realignment result in a change in the consistency of mail delivery? [k] If so, provide the data for each year since the change. [l] Have there been any changes in delivery standards since this experiment/docket? [m] If so, enumerate them. [n] Is there a specific request to the mailing public at regular intervals to inquire about potential changes desired in delivery standards? [o] If so, explain and provide details. If not, explain why not.

DBP/USPS-8 [a] Confirm that Section 252 of the Domestic Mail Classification Schedule [DMCS] states that First-Class Mail receives expeditious handling and transportation. [b] Confirm that this applies to all subclasses of First-Class Mail including Letters and Sealed Parcels [DMCS 221], Cards [DMCS 222], and Priority Mail [DMCS 223]. [c] Confirm that DMCS Section 223.1[b] permits the mailing of articles weighing 11 ounces or less that would otherwise be mailed under the Letters or Sealed

Parcels or the Cards subclass to be mailed under the Priority mail subclass. [d] Explain any nonconfirmations. [e] Explain the significance between the use of the word "mailing" in DMCS Section 223.1[b] and the word "handling" in DMCS Section 252 as they are modified by the word "expeditious". [f] Explain the appropriateness of the wording of the DMCS where "expeditious handling" applies to all three subclasses while "expeditious mailing" applies to only one of the three subclasses. [g] Confirm that if I have a one-ounce envelope to mail that it will presently cost 32-cents to mail via the Letters or Sealed Parcels subclass and cost \$3.00 to mail under the Priority Mail subclass. [h] If not, explain. [i] Enumerate and explain the level of service that I would receive for each of the two articles referenced in subpart g if they are destined to an overnight delivery area. [j] Same as subpart i except destined to the two-day delivery area. [k] Same as subpart i except destined to the three-day delivery area. [l] Explain the differences in handling between the two articles when they are destined to the overnight delivery area. [m] Explain the differences in handling between the two articles when they are destined to the two-day delivery area. [n] Explain the differences in handling between the two articles when they are destined to the three-day delivery area. [o] Confirm that the mail processing system for the Letters and Sealed Parcels and the Cards subclass is the same. [p] If not, explain and provide details on the two systems and the differences between them. [q] Is there a separate mail processing system for Priority Mail [as opposed to that used for the other two subclasses]? [r] If so, explain the details of the system and the differences between it and the system used for the other two subclasses. [s] Since Priority Mail is being advertised as having a two- to three-day delivery standard, is there any Priority Mail which is designed to be delivered overnight? [t] If so, why is it not advertised as a one- to three-day delivery standard? [u] If not, why would a mailer utilize Priority Mail for an article weighing 11 ounces or less which was destined for the overnight First-Class Mail delivery area? [v] Are there any plans to improve the delivery standards for Priority Mail? [w] If so, explain and elaborate. [x] Confirm in general that air transportation will be more costly than surface transportation. [y] Confirm in general that air transportation will provide more expeditious service than surface transportation. [z] If not, explain. [aa] Is air

transportation utilized in all instances where it would advance the delivery time for First-Class Mail by one or two days over that which may be obtained by utilizing surface transportation in whole or in part? [bb] If not, why not and explain how the handling of this mail could be considered to be handled expeditiously. [cc] Provide copies of any regulations, directives, or memoranda issued at Area or above level which specify when to utilize air transportation service. [dd] Provide copies of any press releases, directives, or other memoranda which were issued at the Headquarters level to indicate the level of service that would be provided to First-Class Mail at the time that Air Mail was eliminated as a separate domestic service some twenty years ago. [ee] Does the level to which air transportation is utilized today match the level that was stated when Air Mail was eliminated as a separate service? [ff] If not, explain how and why it does not.

DBP/USPS-9            In regard to the Service Commitments / performance goals for First-Class Mail, [a] do the delivery standards apply to all types of First-Class Mail regardless of whether it is a letter, card, parcel, flat, or other shape or type? [b] Do the delivery standards apply regardless of the method by which the article is addressed such as printed vs. handwritten? [c] Do the delivery standards apply regardless of whether the article has no ZIP Code or a 5- or 9- digit ZIP Code? [d] Do the delivery standards apply regardless of whether or not the article contains a 5-, 9-, or 11-digit barcode applied by the mailer? [e] Do the delivery standards apply regardless of any other services that are utilized such as Certified Mail, Registered Mail, COD, Insured Mail? [f] Do the delivery standards apply whether or not the postage is paid by stamps which require cancellation or by some other means, such as a postage meter, which does not require cancellation. [g] Elaborate and explain any negative answers. [h] Does the USPS have a requirement that all mail which is placed into the system on a given day will be postmarked that day and will be processed that same day? [i] Does the USPS have a requirement that all mail turned in over a service window that is open to the public will be postmarked that day and will be processed that same day? [j] Does the USPS have a requirement that all mail turned into a city delivery, rural, or



HCR carrier or which is collected by a carrier will be postmarked that day and will be processed on that day? [k] Does this apply to all delivery dates including Saturday? [l] Explain and elaborate on any negative answers. [m] Is Exhibit 125.22 of POM [issued August 1, 1996] the latest version of holiday service levels? [n] If not, provide a copy of the latest version as well as copies of any Headquarters directives or memoranda related to any changes. [o] With respect to the footnote to that Exhibit requiring exceptions to these service levels be approved by the Chief Operating Officer and Executive Vice President, confirm that this requirement is still current. [p] If not, advise the current regulation. [q] Have any exceptions been approved since August 1, 1996 in accordance with that footnote or any succeeding regulation noted in subpart p above? [r] If so, elaborate and provide a listing of all exceptions granted. [s] Are the members of the mailing public entitled to receive the level of service that is mandated in the various directives including POM Exhibit 125.22 and/or which is posted in the lobbies of the various postal facilities as to their operating hours and/or which is posted on the various collection boxes as to the time the mail will be collected? [t] If not, explain. [u] Are POM Sections 322.233 and 322.343 [August 1, 1996 issue] still current with respect to the requirement for at least one collection on Sundays and holidays? [v] If not, provide a copy of the latest version as well as copies of any Headquarters directives or memoranda related to any changes. [w] To what extent would elimination of Sunday collections and mail processing have on the processing and delivery of First-Class Mail? [x] Would this result in any reduction or additional costs? [y] If so, elaborate and enumerate. [z] If Sunday and holiday collections and mail processing have been eliminated, are there any plans to resume them? [aa] If so, explain and elaborate.

DBP/USPS-10 In regard to the Service Commitments / performance goals for Express Mail, [a] with respect to "A" Label Post Office-to-Post Office Express Mail, clarify the offices to which this service is available for shipments. May "A" Label be sent to all domestic post offices [those with a US ZIP Code other than a military APO/FPO one] throughout the country [either for next day or second day]? [b] May it be sent to

all classified branches and stations [either for next day or second day]? [c] If not, list the level to which this service is available. [d] If not, is it available to all postal facilities which are within the overnight First-Class Mail delivery service area? [e] If the response to subpart d is no, couldn't the mail be sent along with the First-Class Mail and arrive in time for 10 AM Post Office delivery? [f] Is the distinction between next day "A" Label and second day "A" Label as to which offices will be delivered identical to the distinction between next day "B" Label Post Office-to-Addressee Express Mail, in other words if it will receive overnight "B" Label service, it will receive overnight "A" Label and if it will receive second day "B" Label service it will receive second day "A" Label delivery? [g] If not, list and explain. [h] With respect to "B" Label Post Office-to-Addressee Express Mail, clarify the addressees to which this service is available for shipments. May "B" Label be sent to all domestic post office addresses [those with a US ZIP Code other than a military APO/FPO one] throughout the country [either for next day or second day]? [i] If not, provide a listing of exceptions. [j] Confirm that the evaluation of which post offices and addresses are within the overnight "A" Label Express Mail delivery area [as opposed to those which are within the second day delivery area] is based on a specific evaluation as to whether or not transportation and other needs are available to meet the overnight delivery standard. [k] Same as subpart j except for "B" Label Express Mail. [l] Confirm that overnight "A" Label and "B" Label Express Mail should be delivered on time 100% of the time unless there is an unforeseen failure or error in its handling or processing. [m] If not, explain and elaborate. [n] Confirm that "B" Label second day delivery may be sent to all domestic addresses with a US ZIP Code [other than a military - APO/FPO one] other than those which are available for overnight service. [o] If not, provide and list any exceptions. [p] Confirm that no evaluation is made as to whether or not the necessary transportation and other needs are available to meet the requirements for on time delivery of all second delivery day "A" Label Express Mail throughout the country. [q] Same as subpart p except for "B" label. [r] If not, explain and provide the evaluation that is made. [s] Confirm that there are post offices to which second day "A" Label Express Mail will be impossible to achieve on time delivery. [t] Same as subpart s except for

"B" Label Express Mail. [u] If you are not able to confirm, explain how Express Mail I might send from New Jersey will reach certain Alaskan post offices / addresses where the air service is less than daily and may even be only one day a week. [v] Does the Postal Service use the word "guarantee" or any other word with a similar meaning in its Express Mail advertising or literature? [w] If I bring an Express Mail article into the post office on Monday for mailing which is destined to an area which is in the second day delivery area, is it likely that the acceptance clerk will tell me that the article will be delivered on Wednesday or words of similar import? [x] Would I be given a similar response if I gave the acceptance clerk an address for a second day delivery Express Mail article and asked when it would be delivered? [y] Is it misleading to provide a guarantee to the public which the Postal Service knows it cannot meet? [z] Is the only meaning of the guarantee that the Postal Service will take a calculated risk with respect to the requirement for providing a refund and that it will be minimal? [aa] Is it misleading to have the local post office acceptance clerk provide information for which a full evaluation of the response would show could not be met? [bb] Explain any negative answer. [cc] Is Express Mail delivered 365/366 days a year to all addresses throughout the country? [dd] Does this include all types of addresses including city delivery, rural delivery, post office box delivery, and HCR delivery? [ee] If the scheduled day of delivery is a Saturday, Sunday, or holiday, will that have any effect on the ability to meet the delivery standard? [ff] Explain any negative answer. [gg] If your answer to subpart ee is yes, is it misleading to provide a guarantee to the public which the Postal Service knows it cannot meet? [hh] Is the only meaning of the guarantee that the Postal Service will take a calculated risk with respect to the requirement for providing a refund and that it will be minimal? [ii] Is it misleading to have the local post office acceptance clerk provide information for which a full evaluation of the response would show could not be met? [jj] Explain any negative answer.

DBP/USPS-11      Furthermore, with respect to Express Mail Service Commitments / performance goals, [a] describe the method that is utilized to establish the extent of the overnight delivery area. [b] To what extent are cutoff times made which are earlier than

the closing time for window hours at a given office? [c] Is Express Mail acceptance service available at all post offices and classified stations and branches for all hours that the retail window is open? [d] If yes, is the available delivery area better than that which would be available the following date [i.e. if the cutoff time is 2 PM and I mail a parcel at 3 PM Monday, will it have better delivery standards than if I mail it at 9 AM Tuesday] [e] If your response to subpart c is no, explain and list exceptions. [f] If your answer to subpart d is no, explain. [g] To what extent are earlier cutoff times established which will allow for an extended overnight coverage area [when compared to the normal coverage area]? [h] To what extent are late night Express Mail acceptance points established at large post offices and mail processing facilities. [i] To what extent are postal facilities encouraged to provide the services described in subparts g and h? [j] If not, explain why?

DBP/USPS-12      Furthermore, with respect to Express Mail Service Commitments / performance goals, [a] will Express Mail be delivered as expeditiously as possible or will it be delivered by the regular carrier so long as it will meet the established delivery time? [b] Provide copies of all regulations which describe the method of delivery to be utilized. [c] If Express Mail were to be mailed on Monday morning destined for a local address, would it be delivered Monday or would delivery be "deferred" so long as it was delivered by 12M/3PM Tuesday? [d] If second day Express Mail sent on Monday were to arrive at the delivery office on Tuesday afternoon/evening, would it be delivered Tuesday or would delivery be "deferred" so long as it would be delivered by 12M/3PM Wednesday? [e] If overnight Express Mail sent on Monday were to arrive at the delivery office on Monday afternoon/evening, would it be delivered Monday or would delivery be "deferred" so long as it would be delivered by 12M/3PM Tuesday? [f] If Express Mail destined to an office with a guaranteed 3PM delivery time and a point on the carrier route that would be delivered at 2PM were to arrive at that delivery office at 7AM, would it receive expedited delivery that morning or would it be delivered at 2PM by the regular carrier? [g] Have any changes been made in the delivery requirements been made as a result of the elimination of Special Delivery in Docket MC96-3? [h] If

your response to subparts c through f above is that the article would be delivered at the later indicated time, explain why including the relationship to when Special Delivery would have been delivered prior to being eliminated as a delivery option. [i] With respect to the establishment of whether a specific office will receive 12 noon delivery or 3 PM delivery for "B" Label Express Mail, does this designation apply for all Express Mail being sent from anywhere throughout the country? [j] Does it apply 365/6 days a year? [k] Does it apply to both overnight and second day delivery areas [i.e. if mail sent from office A to office B will be delivered by 12 noon, then mail sent from office C to office B which is in the second day delivery area will also be delivered by 12 noon on the second day as opposed to 3PM on the second day]? [l] Explain any negative answers to subparts i through k and provide a listing of the exceptions. [m] Would all Express Mail destined for an office that was in the overnight First-Class Mail delivery area arrive at the delivery area early the following morning since transportation would already be in place to achieve that? [n] If not, why not? [o] Even if the delivery office described in subpart m were normally a 3PM guaranteed delivery office, would the delivery time for the mail arriving from the overnight First-Class Mail delivery area be guaranteed for 12 noon delivery? [p] If not, why not?

DBP/USPS-13      Section 221.1 of the DMCS indicates that the Letters and Sealed Parcels subclass of First-Class Mail weighs 11 ounces or less. Section 223.1a of the DMCS requires that First-Class Mail over 11 ounces must be sent by Priority Mail. [a] Confirm and explain if unable to do so. [b] Confirm, or explain if you are unable to do so, that the rate for Letters and Sealed Parcels weighing 11 ounces or less is based on a rate for each ounce. [c] Confirm, or explain if you are unable to do so, that the rate for Priority Mail with a weight of two pounds or less will currently be \$3.00 regardless of the weight. [d] Since 1971, has the rate structure for Letters and Sealed Parcels vs. Priority Mail been the same, namely, there is a per ounce rate up to a certain point and then a flat per pound [or up to two pounds as currently in place] for mail over that point? [e] If not, explain. [f] Provide a tabular listing which provides the following information for all First-Class Mail rates in effect starting with July 1, 1971 and ending with the rates

being proposed in R97-1 [Provide a separate listing for Air Mail rates during the period of time that it was in effect = I have indicated the current rates to eliminate any potential misunderstanding]: 1. Date the rate went into effect, 2. Rate for a one ounce letter [currently 32 cents], 3. Rate for each additional ounce [currently 23 cents], 4. Number of ounces for which the per ounce rate was utilized [currently 11], 5. The rate for an article which weighs the number of ounces shown in column 4 [currently \$2.62], 6. The rate for an article which weighs over the number of ounces shown in column 4 [currently \$3.00], 7. The difference between columns 5 and 6 [currently 38 cents = \$3.00 minus \$2.62], 8. The ratio of column 7 to column 3 expressed as a percentage [currently 165% = 38 divided by 23 times 100]. [g] Confirm, or explain if you are unable to do so, that column 8 in subpart f for the proposed rates in Docket R97-1 will be 248%. [h] Confirm, or explain if you are unable to do so, that if the "break point" between the per ounce rates and the flat rate were to be changed from 11 ounces to a greater weight, that the proposed rate for a 12 ounce letter would be \$2.86 and for a 13 ounce letter would be \$3.09 and that both of these rates would be less than the proposed \$3.20 rate. [i] Was any consideration given to changing the "break point" from 11 ounces to either 12 or 13 ounces? [j] If so, provide details and the reasons for not adopting such a change. [k] If not, explain why not? [l] Explain why it is believed that such a high difference between the 11 and 12 ounce rates being proposed is fair and equitable.

DBP/USPS-14 Should the word schedule that appears in DMCS Section 222 before 962 in two places be changed to section since the definitions appear in section 962 rather than Fee Schedule 962?

DBP/USPS-15 [a] Confirm that the definition for Stamped Cards appears in DMCS section 962.11. [b] Confirm that a Stamped Card is a card. [c] Confirm that a card is a paper product of uniform thickness of between 0.007 and 0.016 inches, a length of between 5 and 6 inches, and a width of between 3-1/2 and 4-1/4 inches [a combination of the minimum size shown in DMCS Section 6020 and maximum size shown in DMCS Section 222.11 [presently 222.12]. [d] Confirm that a Stamped Card

has postage imprinted or impressed on it. [e] Confirm that a Stamped Card is supplied by the Postal Service. [f] Confirm that a Stamped Card is used for the transmission of messages. [g] Explain any nonconfirmations.

DBP/USPS-16 [a] Confirm that the United States Postal Service issued in May 1997 a card with a 20-cent Bugs Bunny stamp on the front and a picture of Bugs Bunny on the reverse. [b] Confirm that these were supplied in a cellophane wrapped book of ten cards. [c] Confirm that the price tag on the back of the package states, "BUGS BUNNY POSTAL CARD BOOK / 10 POSTAL CARDS / ITEM NO. 8982 / PRICE: \$5.95. [d] Confirm that there is a gold seal on the front of the package that states, READY-TO-MAIL / POSTAL CARDS. [e] Confirm that the former name for Stamped Cards was Postal Cards. [f] Confirm that there was / is no difference between the definition for Stamped Cards and Postal Cards. [g] Looking at one of the single cards out of the package of ten, confirm that it is a card. [h] Confirm that this single card meets all of the dimensional standards listed in DBP/USPS-15 subpart c. [i] Confirm that this single card has 20 cents in postage imprinted or impressed on it. [j] Confirm that 20 cents is the postage rate for stamped cards. [k] Confirm that these cards are supplied by the Postal Service. [l] Confirm that these cards may be used for the transmission of messages. [m] Confirm that Fee Schedule 962 presently provides for a fee of \$0.00 in addition to postage for a Stamped Card [rate proposed is \$0.02 in addition to postage]. [n] Confirm that a Stamped Card which has 20 cents postage imprinted or impressed on it should be sold under the provisions of Fee Schedule 962 for a price of \$0.20 plus \$0.00 or a total price of \$0.20 [the proposed rate would be \$0.22 for 20 cents postage]. [o] Confirm that the present price for ten cards would be ten times the price of one card or a total of \$2.00. [p] Confirm that a price of \$5.95 exceeds \$2.00. [q] Explain any nonconfirmations. [r] What is the legal authority for the sale of the above referenced Bugs Bunny cards at a price which exceeds that authorized in Fee Schedule 962? [s] In general, may a refund be obtained by those who have paid a price in excess of that which is authorized in the DMCS? [t] If no, explain and elaborate on any instances where it may not be. [u] Specifically, with

respect to the purchase of Bugs Bunny cards, may a refund be obtained by those who have paid a price in excess of that which is authorized in the DMCS? [v] If not, explain why not. [w] Confirm that one of the provisions of Title 18, United States Code, Section 1721 relates to the price at which postal cards may be sold. [x] If not, explain why not. [y] Has the Postal Service made any requests to Congress or anyone else for a change in the wording of 18 USC 1721? [z] If so, indicate the change that was requested and the date of the request. [aa] Provide a complete listing of all cards that have been sold by the Postal Service since 1971 at a price which exceeds the price of the postage that was imprinted or impressed on them. Provide the date of issue, the subject matter of the card, the value of the postage that was imprinted or impressed on the card, the selling price per card, the number of cards in the set, the total selling price of the set, and the total number of cards or sets that were sold to the public. [bb] With respect to the purchase of cards noted in response to subpart aa, may a refund be obtained by those who have paid a price in excess of that which is authorized in the DMCS and/or 18 USC 1721? [cc] If not, explain why not?

DBP/USPS-17 The following interrogatories are related to determining how revenue and expenses which apparently are not related to matters under the jurisdiction of the Postal Rate Commission enter into the rate evaluation. [a] For example, how are any profits [revenue minus expense] from such items as International Mail, Philatelic Products, Phone Cards, Money Cards, and sale of merchandise ranging from Fathers Day cards to Bugs Bunny ties taken into account? [b] Do any profits go into the total postal revenues thereby reducing the total amount that must be recovered from postage charges?

DBP/USPS-18 [a] For each of the past five years, what were the total revenue and expenses for International Mail? [b] For each of the past five years, what were the total revenue and expenses for the sale of Phone Cards and Money Cards? [c] For each of the past five years, what were the total revenue and expenses for the sale of the various items of merchandise as noted above?



DBP/USPS-19 With respect to the Philatelic Products, [a] for each of the past ten years, what were the total revenue and expenses amounts related to it? [b] With respect to revenue amounts, what methods are utilized to determine the division of stamp sales between those that will be utilized to pay for mailing as opposed to those that will not be utilized? [c] What are the goals of the Postal Service with respect to the profit levels to be achieved from the sale of Philatelic Products?

DBP/USPS-20 The Federal Register for August 14, 1996 indicates that the USPS is developing "Postal Electronic Commerce Services". [a] What is the status of this proposal? [b] Will rates for these services be under the jurisdiction of the Postal Rate Commission? [c] If not, explain and provide legal references. [d] Will the expenses and revenues for these services come from or go to those related in this Docket? [e] If not, explain and advise their disposition.

DBP/USPS-21 With respect to Special Handling, [a] provide copies of all directives and instructions which indicate how this mail is to be handled and processed. [b] Are there any delivery service standards for Special Handling mail as opposed to Priority Mail and Standard Mail which have their standards shown in the chart accompanying the response to Rule 54[n]? [c] If so, what are they? [d] Assume for purposes of the following that I mail nine packages in the Englewood, NJ post office on Monday, July 14, 1997. Three packages are destined to New York, NY, another three to Marked Tree, AR, and the last three to Los Angeles, CA. For each of the destinations, one package is sent Standard Mail [B], the second is sent Standard Mail [B] - Special Handling, and the third is sent Priority Mail. Describe the handling of each of the nine packages including the facilities that they will transit through and the expected time at each of the facilities and the delivery time of each. If handling would be different for different weights, explain and provide information for each of the different weight groups. [e] Other than those instances where Special Handling must be used because of the nature of the contents of the parcel, what advantages may one

expect by utilizing Special Handling with a Standard Mail [B] parcel? [f] Explain how and why one would utilize Special Handling with First-Class Mail as noted in DMCS Section 952.21[a]. [g] DMCS Section 952.22 indicates that Special Handling is mandatory for certain mail matter. Is DMM Section S930.2.4 the only reference to the type of mail which must be sent Special Handling? [h] If not, provide any other type of mail and the appropriate reference. [i] May parcels containing honeybees or baby poultry or any other mail matter provided in your response to subpart h be mailed by Priority Mail without requiring the additional Special Handling fee? [j] If not, explain why not and provide the appropriate reference. [k] Disregarding the cost of mailing, are there any circumstances or conditions where a knowledgeable mailer would utilize Standard Mail [B] - Special Handling for a particular parcel rather than utilizing Priority Mail? [l] If so, explain and list the reasons. [m] Confirm, or explain if you are unable to do so, that the maximum proposed cost for a Priority Mail parcel weighing ten pounds or less will be \$14.85 and that the fee for Special Handling for parcels weighing ten pounds or less will be \$17.25. [n] Confirm, or explain if you are unable to do so, that a Priority Mail parcel weighing ten pounds or less will always cost less than the Special Handling parcel of the same characteristics and destination. [o] Confirm, or explain if you are unable to do so, that the fee for Special Handling for parcels over ten pounds will be \$24.00. [p] Confirm, or explain if you are unable to do so, that when the Special Handling fee is added to the Inter-BMC Standard Mail rates that Priority Mail will be less expensive than the Standard Mail rate for all but the following cells: Zones 1 and 2, over 63 pounds; Zone 3, none; Zone 4, over 48 pounds; Zone 5, over 49 pounds, Zone 6, over 44 pounds; Zone 7, over 46 pounds, and Zone 8, over 44 pounds. [q] What percentage of all Inter-BMC parcels fall into the cells noted in subpart p? [r] Confirm, or explain if you are unable to do so, that when the Special Handling fee is added to the Intra-BMC Standard Mail rates that Priority Mail will be less expensive than the Standard Mail rate for all but the following cells: Local, over 60 pounds; Zones 1 and 2, over 61 pounds; Zone 3, over 67 pounds; Zone 4, over 43 pounds; and Zone 5, over 46 pounds. [s] What percentage of all Intra-BMC parcels fall into the cells noted in subpart r? [t] May Special Handling be utilized with the various destination Standard

Mail rates? [u] If so, confirm that because mailers who utilize the destination rates by transporting the parcel to the destination facility have already eliminated the practical reasons for utilizing Special Handling for other than those instances where it would be mandated for parcels containing honeybees or baby poultry. [v] If you are unable to confirm subpart u, provide those categories and weight cells where Special Handling would be less expensive than Priority Mail. [w] What percentage of all destination rate parcels would fall into the cells noted in subpart v. [x] What percentage of all parcels falling into the categories and cells specified in subpart v would be expected to utilize Special Handling? [y] Confirm, or explain if you are unable to do so, that the maximum weight for Bound Printed Matter will be 15 pounds and that the maximum postage for a 15 pound Priority mail parcel will be \$21.05. [z] Confirm, or explain if you are unable to do so, that a Priority Mail parcel will always cost less than a Bound Printed Matter parcel sent by Special Handling. [aa] Confirm, or explain if you are unable to do so, that when the Special Handling fee is added to the Special Standard Mail rates that Priority Mail will be less expensive than the Standard Mail rate for all but the following cells: Zones Local, 1, 2, and 3, none; Zone 4, over 49 pounds; Zone 5, over 44 pounds, Zone 6, over 34 pounds; Zone 7, over 30 pounds, and Zone 8, over 23 pounds. [bb] What percentage of all Special Standard mail parcels fall into the cells noted in subpart r? [cc] Confirm, or explain if you are unable to do so, that when the Special Handling fee is added to the Library rates that Priority Mail will be less expensive than the Standard Mail rate for all but the following cells: Zones Local, 1, 2, and 3, none; Zone 4, over 53 pounds; Zone 5, over 47 pounds, Zone 6, over 36 pounds; Zone 7, over 32 pounds, and Zone 8, over 25 pounds. [dd] What percentage of all Library parcels fall into the cells noted in subpart r? [ee] What percentage of all standard mail parcels fall into the rate cells noted in response to subparts p, r, v, aa, and cc? [ff] Based on the above, will it be expected to have many parcels sent Special Handling by knowledgeable mailers? [gg] Is it the intention of the Postal Service to price Special Handling in a manner so that it will follow in the footsteps of Special Delivery and be discontinued in the next rate case or shortly thereafter? [hh] If not, explain. [ii] On page 6 of the 1997 booklet "Get More From Your Post Office" it indicates that, "Special

handling mail travels in distinctive sacks and containers to set it apart from other mail." List the types of sacks and containers that are used. [jj] Confirm, or explain if you are unable to do so, that these sacks and containers are only used for Special Handling mail.

DBP/USPS-22 With respect to the rate being proposed for Library mail, [a] confirm, or explain if you are unable to do so, that the first pound rate and the two additional pound rates are all greater than the corresponding rates for Special Standard mail. [b] Confirm, or explain if you are unable to do so, that the proposed rate for a parcel sent as Library mail will always be greater than the proposed rate for a Special Standard mail parcel of the same weight and destination. [c] Confirm, or explain if you are unable to do so, that up until the rates proposed in Docket R97-1, the rate for Library mail [or its predecessor designation] has always been less than the rate for Special Standard mail [or its predecessor designation]. [d] Confirm, or explain if you are unable to do so, that the contents which may be mailed at Special Standard and Library mail are virtually the same. [e] If you are unable to confirm subpart d, what percentage of the parcels mailed at the Library mail rate have contents which would be eligible to mail at the Special Standard mail rate? [f] Confirm, or explain if you are unable to do so, that the distinction between Library and Special Standard mail is based on the qualification of the sender and/or addressee. [g] Confirm, or explain if you are unable to do so, that all categories of mailers who are eligible to utilize the Library mail rate would also be able to utilize the Special Standard mail rate. [h] Provide and explain any reasons for reversing the price comparison between Library and Special Standard mail starting with this Docket. [i] List any reasons why a knowledgeable mailer would utilize the Library mail rate rather than the Special Standard mail rate.

DBP/USPS-23 Refer to Schedule 1000 on Attachment B at page 66. Should the last line "(see Fee Schedule 932)" either be changed to Section 931 or appear with Merchandise Return above it and an additional Section 931 entry appear with Business Reply Mail Permit?

DBP/USPS-24 [a] Confirm, or explain if you are unable to do so, that Return Receipt for Merchandise service will provide the following four services to a mailer: 1. Proof that the article was mailed [namely, the mailing receipt may be postmarked at the office of mailing], 2. The ability to utilize Restricted Delivery will be permitted, 3. The article will be signed for by the addressee and the record of delivery will be maintained by the office of delivery, and 4. The ability to receive proof of delivery will be available [namely, the Return Receipt PS Form 3811]. [b] Enumerate any other services that are available to the user of this service or indicate that there are none. This only includes those services that one would obtain by utilizing the specific Return Receipt for Merchandise and not other services that may be utilized for the parcel such as insurance, COD, etc. [c] Confirm, or explain if you are unable to do so, that an article which is sent by Certified Mail - Return Receipt Requested will provide to the mailer the same identical services available as noted for Return Receipt for Merchandise in subparts a and b above. This assumes that I am able to utilize the service either by the contents of the parcel, the level of service that I desire, or the rate at which I send the article. [d] Confirm, or explain if you are unable to do so, that if I have a 1-1/2 pound domestic parcel containing merchandise which I desire to send by Priority Mail, the postage will be \$3.00. [e] Confirm, or explain if you are unable to do so, that if I wish to utilize the Return Receipt for Merchandise service in connection with this parcel, I will pay an additional \$1.20 or a total of \$4.20 for the service. [f] Confirm, or explain if you are unable to do so, that if I wish to utilize the Certified Mail - Return Receipt Requested service in connection with this parcel, I will pay an additional \$2.45 [\$1.35 Certified Mail fee and \$1.10 Return Receipt fee] or a total of \$5.45 for the service. [g] List and explain any reasons why a knowledgeable mailer should utilize the more expensive Certified Mail - Return Receipt Requested service over the less expensive Return Receipt for Merchandise service when the service received will be identical. [h] Confirm that Priority Mail is a subclass of First-Class Mail and is sealed against Postal Inspection. [i] Confirm, or explain if you are unable to do so, that the Postal Service will not be able to determine whether a Priority Mail parcel contains merchandise and

therefore may utilize the Return Receipt for Merchandise service or contains non-merchandise and therefore may not utilize the service. [j] What penalty, if any, is there for a mailer who is already utilizing Priority Mail service [either because of the weight and/or desire for the delivery standards] and who wants some form of mailing receipt / proof of delivery service utilizing the Return Receipt of Merchandise service [as opposed to Certified Mail - Return Receipt Requested] regardless of whether or not the parcel contains merchandise? [k] Confirm, or explain if you are unable to do so, that the proposed rate for Return Receipt for Merchandise is \$1.70 and the total fee for Certified Mail - Return Receipt Requested is \$1.55 plus \$1.45 or \$3.00. [l] Explain why in both the present and proposed rate schedules, the fee for Certified Mail - Return Receipt Requested is between 176% and 204% of the fee for Return Receipt for Merchandise when both services provide identical benefits to the mailer.

DBP/USPS-25 [a] Confirm, or explain if you are unable to do so, that the proposed fee for Certified Mail will be \$1.55, for Return Receipt for Merchandise will be \$1.75, and for individual Certificate of Mailing will be \$0.60. [b] Confirm, or explain if you are unable to do so, that the cost coverage Certified Mail will be 133%. [c] What will the cost coverage be for Return Receipt for Merchandise? [d] What will the cost coverage be for an individual Certificate of Mailing? [e] Based on the fees shown in subpart a and the cost coverage values shown in subparts b through d, what will the costs be for each of the three services listed in subpart a. [f] Is the cost value determined by dividing the proposed rate by the decimal value of the cost coverage percent [for example, a fee of \$2.00 with a cost coverage of 164% would have a cost of \$2.00 divided by 1.64 or \$1.22] [g] If not, explain how it is calculated. [h] Is there any interaction between the rates and costs for Certified Mail vs. those for Return Receipt service or have the two rates been evaluated independently of each other? [i] Fully explain any interaction. [j] What percentage of Certified Mail articles utilize Return Receipt Service? [k] With respect to these three services, confirm, or explain if you are unable to do so, that there is no added service or costs associated with the processing or handling of the article from the time of the completion of its acceptance into the mail

stream at the acceptance postal facility to the time at which it becomes necessary to "trap" the article at the delivery office so that it may be properly handled for the type of service being requested. [l] Confirm, or explain if you are unable to do so, that there are no costs associated at the delivery office with respect to articles for which a Certificate of Mailing had been issued and therefore there will be no costs associated with this service once the completion of its acceptance into the mail stream at the acceptance postal facility has been completed. [m] For each of the three services, list each of the specific cost elements which relate to and are charged to that service and the costs associated with that element for the time up until dispatch of the article from the acceptance postal facility. These cost elements should include the following [if the costs for any of these elements are not charged to the service, so indicate. If any additional items apply, so indicate them and provide the data]: 1. Cost of advertising the service, 2. Cost of training employees regarding the service, 3. Cost for designing and printing the necessary forms, 4. Cost for shipping, storing, and distributing the forms, 5. Cost for window services to explain the service, and 6. Cost for the acceptance of the article by the acceptance office, including, but not limited to, observing the article, postmarking the receipt, discussion with the customer, and possible record keeping. [n] For Certified Mail and Return Receipt for Merchandise services, list each of the specific cost elements which relate to and are charged to that service and the costs associated with that element for the time starting at the point at which the article is "trapped" at the delivery office. These cost elements should include the following [if the costs for any of these elements are not charged to the service, so indicate. If any additional items apply, so indicate them and provide the data]: 1. Cost of "trapping the article" at the delivery office, 2. Cost of any special handling that may be required to process these at the delivery office, 3. Cost of turning accountability for the articles over from the processing employee[s] to the delivery employee, 4. Cost associated with the delivery of the article by the delivery employee to the addressee, 5. Cost for "clearing" the delivery employee of the accountability after the return to the office, 6. Cost for subsequent delivery attempts for articles returned after the first attempt, 7. Cost for returning undeliverable articles, 8. Cost for filing delivery receipts,

9. Cost for handling inquiries received for the article, 10. Cost for processing the PS Form 3811 for Return Receipt for Merchandise service at the delivery office before it is entered into the mail stream, and 11. Cost for transmission of the PS Form 3811 from the delivery office back to the original sender of the parcel. [o] If subparts k and l result in any added cost elements, provide the data requested in subparts m and n for them. [p] With respect to the three separate costs that you provide for each of the three services in your response to subpart m, if the value is different between the three services for the same cost element, fully explain the difference for each separate cost element. [q] Same as subpart p except for the two services and your responses to subpart n. [r] Same as subpart p for any responses to subpart o. [s] If all of the costs enumerated in subparts m through o do not add up to the corresponding total cost provided in subpart e, explain the reasons for the difference. [t] Do the costs specified in subpart n item 11 match the cost of processing and delivery of a post card or stamped card? [u] If not, explain why not.

DBP/USPS-26 [a] Confirm, or explain if you are unable to do so, that when delivering a Certified Mail article, that the delivery employee must obtain a single signature from the addressee on the Postal Service delivery record [irrespective of whether there is a single article to deliver this way or multiple articles for delivery on some form of manifest]. [b] Confirm, or explain if you are unable to do so, that when delivering a Certified Mail article which contains a Return Receipt, that the delivery employee must obtain two separate signatures from the addressee, one on the Postal Service delivery record [irrespective of whether there is a single article to deliver this way or multiple articles for delivery on some form of manifest] and the second on the Return Receipt card PS Form 3811. [c] Confirm, or explain if you are unable to do so, that when delivering a Return Receipt for Merchandise article, that the delivery employee must obtain two separate signatures from the addressee, one on the Postal Service delivery record [irrespective of whether there is a single article to deliver this way or multiple articles for delivery on some form of manifest] and the second on the Return Receipt card PS Form 3811. [d] Confirm, or explain if you are unable to do so,



that the time and therefore costs for obtaining both signatures for Return Receipt for Merchandise service are charged to that service since there is a single fee. [e] With respect to a Certified Mail - Return Receipt Requested article, how are the time and costs allocated between the two separate services? [f] Explain the rationale for such an allocation. [g] Confirm, or explain if you are unable to do so, that the time that it takes to obtain the second signature will usually be less than the time that it takes to get the first signature, or in general, the time that it takes to obtain both signatures will be less than twice the time to obtain only one signature.

DBP/USPS-27 [a] Confirm, or explain if you are unable to do so, that effective June 8, 1997, the service for return receipts changed requiring the delivery employee to indicate the address of delivery if different from the address on the mailpiece. [b] Confirm, or explain if you are unable to do so, that the service available on June 8th represents a difference in the service that was provided at the basic fee on June 7th. [c] Other than the mention on Page 9 of the May 22, 1997 Postal Bulletin, provide references and copies of all directives issued by Headquarters notifying the field of this change. [d] Has the Postal Service conducted any tests to determine the level to which the field is complying with the requirements to provide an updated address when appropriate? [e] If so, provide details and results of the tests. [f] If not, explain why not including reasons why one would consider Return Receipt service to be a quality service, particularly with respect to providing customers with updated addresses.

DBP/USPS-28 [a] Confirm, or explain if you are unable to do so, that Section 822.111 of the Postal Operations Manual [POM] requires that the delivering carrier or window clerk will obtain the signature or authorized signature stamp of the recipient of an article utilizing the Return Receipt Service. [b] Confirm, or explain if you are unable to do so, that POM Section 822.111 also requires the delivery employee must complete the date of delivery if the addressee has not already done so. [c] Would it be reasonable to expect the delivery employee to check to ensure that the Return Receipt has been properly signed? [d] Would it be reasonable to expect the delivery employee

to check to ensure that the Return Receipt has the name of the addressee printed in addition to the signature? [e] Would it be reasonable to expect the delivery employee to check to ensure that the Return Receipt has the correct date of delivery entered on it? [f] Would it be reasonable to expect the delivery employee to check to ensure that the Return Receipt has been properly completed? [g] Would it be reasonable to expect the delivery employee to make any necessary corrections to the information provided on the return receipt? [h] Explain any negative answers to subparts c through g. [h] Will the delivery employee referenced in POM Section 822.111 always be an employee of the United States Postal Service? [i] If your response to subpart h is not an unqualified yes, list all examples and instances in which the delivery employee will not be a USPS employee. [j] Do the requirements of POM Section 822.111 apply to the necessity of having the delivery employee ensure that the Return Receipt is completed at the time of delivery [the time at which the custody of the mail is transferred from the control of the United States Postal Service to the control of the addressee]? [k] If not, explain any instances in which it is not required. [l] Do the requirements of POM Section 822.111 apply to the necessity of having the delivery employee ensure that the Return Receipt is completed at the time of delivery with respect to all agencies, departments, or organizations of the federal government? [m] Same as subpart l except with respect to those of any state or local government. [n] Same as subpart l except with respect to delivery to any non-government addressee. [o] Do the requirements of POM Section 822.111 apply to the necessity of having the delivery employee ensure that the Return Receipt is completed at the time of delivery regardless of the number of return receipts that are involved in the delivery? [p] Explain and list any instances with respect to any negative answers to subparts l through o. [q] Confirm, or explain if you are unable to do so, that the delivering employee will be required in all instances to determine if the delivery address differs from the original address shown on the article and if so to provide the new address on the Return Receipt card. [r] Confirm, or explain if you are unable to do so, that the delivering employee will be required in all instances to determine if the delivery address differs from the original address shown on the article and if not to check the box on the return

receipt card to indicate that the article was delivered to the same address as originally addressed. [s] Confirm, or explain if you are unable to do so, that the requirements specified in subparts q and r will apply to all types of addressees including, but not limited to, those types mentioned in subparts l through o. [t] Confirm, or explain if you are unable to do so, that the delivering employee will be required in all instances to give all return receipts to the clearing clerk daily. [u] Confirm, or explain if you are unable to do so, that subpart t means that for all return receipts which are being requested for mail which is delivered on a given day will be turned over to the clearing clerk that same day. [v] Confirm, or explain if you are unable to do so, that the requirements specified in subpart t will apply to all types of addressees including, but not limited to, those types mentioned in subparts l through o.

DBP/USPS-29 [a] Confirm, or explain if you are unable to do so, that Section 822.112 of the Postal Operations Manual requires that the clearing clerk must evaluate all return receipts that have been turned in to ensure that they are properly completed. [b] Would it be reasonable to expect the clearing clerk to check to ensure that the Return Receipt has been properly signed? [c] Would it be reasonable to expect the clearing clerk to check to ensure that the Return Receipt has the name of the addressee printed in addition to the signature? [d] Would it be reasonable to expect the clearing clerk to check to ensure that the Return Receipt has the correct date of delivery entered on it? [e] If there are any instances where the return receipt is not given to the clearing clerk on the date of delivery, explain how the clearing clerk would be aware of the date of delivery? [f] Would it be reasonable to expect the clearing clerk to check to ensure that any requirements for restricted delivery have been complied with? [g] Would it be reasonable to expect the clearing clerk to check to ensure that any requirements for notifying the sender of a new address have been complied with? [h] Would it be reasonable to expect the clearing clerk to check to ensure that any requirements for notifying the sender that there is no new address [namely, the box has been checked to show this] have been complied with? [i] What corrective action should the clearing clerk take if in evaluating a return receipt it is

noticed that 1. the card is not properly signed, 2. the name of the person signing has not been properly printed, 3. the correct date of delivery has not been shown, 4. the restricted delivery requirements have not been complied with, 5. a new address has not been provided when there is one, or 6. the box has not been checked when there is no new address. [j] Confirm, or explain if you are unable to do so, that all return receipts must be mailed [namely, placed into the mail stream for processing and transporting and delivery to the sender] no later than the first workday after delivery. [k] Explain why POM Section 822.112 does not require that the clearing clerk mail the return receipt card on the date of delivery rather than allowing it to be held until the next workday. [l] Confirm, or explain if you are unable to do so, that the requirements specified in subparts b through j will apply in all instances regardless of the type of addressee or the number of return receipts involved. [m] Confirm, or explain if you are unable to do so, that the clearing clerk referenced in POM Section 822.11 is an employee of the United States Postal Service.

DBP/USPS-30 With respect to the utilization of other than a signature by hand on the return receipt card, confirm or explain if you are unable to do so, that POM Section 822.2 requires that, [a] In those cases where the article is addressed to a federal or state official or agency, a rubber stamp showing the name of the agency or organization may be utilized. [b] This rubber stamp must show the name of the agency or organization and not just the name of an individual. [c] The ability to utilize a printed rubber stamp or other automated means [as opposed to one which has a facsimile of a written signature of an individual] may only be used by a federal or state agency. [d] A federal agency is one in which the employees of the agency are employees of the United States Government. [e] A state agency is one in which the employees of the agency are employees of one of the 50 states of the United States of America. [f] This provision does not apply to other governmental agencies such as, multi-state agencies, counties, municipalities, school districts. [g] This provision does not apply to companies or other non-governmental agencies. [h] For all addressees other than federal and state agencies, the rubber stamp or other automated means must include a

facsimile, hand-written signature of the individual who is authorized to accept accountable mail. [i] The type of addressee noted in subpart h may not utilize a rubber stamp or other automated means which contains printed information only [such as the name of the agency]. [j] Explain any non-confirmations.

DBP/USPS-31 [a] Confirm that on August 1, 1996, Sandra D. Curran, Acting Manager, Delivery, sent a letter to all District Managers - Subject: Failure to Obtain Signature on PS Form 3811 Domestic Return Receipt. [b] Confirm, or explain if you are unable to do so, that this letter indicates that all District Managers are to take a proactive approach with all of their delivery offices to ensure that return receipts are not being signed for at a "later", more convenient time and therefore this would require that the return receipt be signed for at the time of delivery. [c] Confirm, or explain if you are unable to do so, that this letter indicates that any long standing, unofficial arrangements that promote or provide for exceptions to the state procedures for "convenience" should be voided if they exist. [d] Confirm, or explain if you are unable to do so, that this letter indicates that a lack of realization by some employees that the customer has paid for this service and any arrangement that makes it easier for the addressee at the expense of that service should not be tolerated. [e] Is this letter still in force? [f] If not, provide a copy of the letter which superseded or modified it. [g] Provide copies and references of any directives that have been issued since August 2, 1996 which relate to the provision of return receipt service.

DBP/USPS-32 [a] Bottom line, is it a requirement of the United States Postal Service that all accountable mail, including any return receipts that are associated with the mail piece, be signed [this includes the use of a signature stamp under the provisions of POM Section 822.2] for by the addressee at the time of delivery [namely, when the control of the mail piece transfers from the United States Postal Service to that of the addressee] and that the requirements for the completion of the return receipt also be completed at the time of delivery in accordance with the provisions of POM Section 822 and that this applies to any and all addressees throughout the United

States who might receive accountable mail and also applies regardless of the quantity of mail involved. [b] If your response to subpart a is not an unqualified yes, provide a complete listing of all exceptions to the requirement and the authority authorizing that exception. [c] Confirm, or explain if you are unable to do so, that the cost for a return receipt is presently \$1.10 and that this charge will apply for each separate accountable mail piece for which return receipt service is desired. [d] Confirm, or explain if you are unable to do so, that should there be 10,000 accountable mail pieces requesting return receipt service being delivered to a single addressee on a given day that each of the senders paid a fee of \$1.10 for the return receipt and that the total revenue received by the Postal Service for processing all ten thousand return receipts will be \$11,000. [e] Confirm, or explain if you are unable to do so, that, on average when there is more than one return receipt involved for a given addressee, the average cost for processing each single return receipt will be less than the cost that would be entailed if the addressee only received a single mail piece requesting return receipt service. In other words, if the cost for handling a single return receipt on average was fifty cents, then the total cost for handling 100 return receipts for a single addressee at one time would be less than fifty dollars [resulting in an average cost of less than fifty cents each]. [f] Do the cost figure for return receipt service take into account the potential savings in delivering multiple pieces at the same time?

DBP/USPS-33 In order to determine that the Return Receipt service provides a value to the mailer, [a] Enumerate and provide details of all studies and tests that have been performed or conducted by the Postal Service in the past seven years [since Docket R90-1] to determine the mailing public's needs and desires for return receipt service. [b] Same as subpart a except to determine the quality of service being received by return receipt users. [c] Same as subpart a except to determine the extent to which the return receipt service is being provided as mandated in the regulations. [d] Explain why the responses to subparts a through c indicate that the Postal Service is making a concerted effort to provide a quality service. [e] Confirm, or explain if you are unable to do so, that one of the purposes of the return receipt is to provide evidence of

delivery to the sender and that this evidence is being provided by an independent third party, namely the Postal Service. [f] Confirm, or explain if you are unable to do so, that the Postal Service used to apply the red validating stamp to return receipts and that this procedure was terminated. [g] When and why was the use of this procedure terminated and provide copies of the directive doing so? [h] Wouldn't the date on the red validating stamp be more likely to be correct than a date that was handwritten? [i] Wouldn't the presence of the red validating stamp on the return receipt provide a greater level of authenticity of the return receipt than one without it? [j] Explain any negative responses to subparts h and i particularly in light of the desire to provide a quality product. [k] Confirm, or explain if you are unable to do so, that the application of a red validation stamp impression on a return receipt by other than an authorized Postal Service employee would be a violation of the law. [l] Are there any plans to resume the use of the red validating stamp? [m] When will the new form be available for return receipts which includes the box for indicating that the article was delivered as addressed? [n] Will the instructions for the implementation of these new forms call for the immediate removal from service of the existing forms to ensure maximum use of the new form? [o] Confirm, or explain if you are unable to do so, that there are times when the actual date of delivery is significant to the mailer utilizing return receipt service. [p] Confirm, or explain if you are unable to do so, that there are times when name of the recipient is significant to the mailer utilizing return receipt service. [q] Confirm, or explain if you are unable to do so, that there are times when prompt notification of delivery is significant to the mailer utilizing return receipt service. [r] Confirm, or explain if you are unable to do so, that provision of the return receipt as proof of delivery and proof of delivery date having been furnished by an independent, disinterested third party, such as the Postal Service, is significant to the mailer at times. [s] Confirm or explain if you are unable to do so, that failure of the Postal Service to process return receipts in the manner specified in the regulations may increase the likelihood of a decrease in value to the mailer who is expecting one of the services noted in subparts o through r.

DBP/USPS-34      DMM Section S915.1.6 states, Return receipt fees are refunded only if the USPS fails to furnish a return receipt. May a refund be claimed for the following: [a] The return receipt which is received back is not signed. [b] The return receipt which is received back does not have the printed name of the recipient. [c] The return receipt which is received back does not show a date of delivery. [d] The return receipt which is received back shows an incorrect date of delivery. [e] The return receipt which is received back does not show a new address where delivered when there is one. [f] The return receipt which is received back does not have the box checked to show that there was no change of delivery address. [g] The return receipt which is received back was mailed by the delivery office later than the next business day following delivery. [h] The return receipt which was received back utilizes a rubber stamp or other automated signature which does not meet the requirements of POM Section 822.2. [i] There is evidence that the accountable mail was delivered to the addressee to complete the return receipt at a later, more convenient time and therefore the return receipt was not obtained by the Postal Service at the time of delivery. [j] The return receipt is not received. [k] A duplicate return receipt indicates that the article was not delivered. [l] The article is returned by the Postal Service without delivery. [m] Confirm, and explain if you are unable to do so, that the referenced DMM section also implies that the return receipt which is furnished meets the requirements of the Postal Service. [n] Explain any of the items for which a refund of the return receipt fee would not be authorized. [o] Confirm, or explain if you are unable to do so, that the necessity of a sender to request a duplicate return receipt just to fix a problem caused by the improper completion of the original return receipt will reduce the value of the service to the mailer.

DBP/USPS-35      [a] How many of the mail processing facilities are now fully equipped with a device which will automatically "trap" a Certified Mail article by the presence of the phosphor ink on the Certified Mail label? [b] How many of the mail processing facilities are partially equipped with such a device? [c] How many of the mail processing facilities are not equipped with such a device? [d] What percentage of



the mail is processed through a machine equipped with such a device. Note: Subparts a through c refer to the number of facilities and subpart d refers to the percentage of mail. [e] If there are any facilities listed in response to subparts b or c or if the response to subpart d is not 100%, provide an implementation schedule as to when that level will be achieved. [f] Confirm, or explain if you are unable to do so, that if there are any facilities which do not have such a device installed then there is an increase in the likelihood that the mailer may not receive the Certified Mail service that was requested. [g] If your response to subpart f is negative, then what purpose is achieved by installing these devices? [h] If you are able to confirm subpart f, explain how the failure to have all facilities equipped with this device can be reconciled with providing a quality service with value to the mailer.

DBP/USPS-36 [a] Confirm, or explain if you are unable to do so, that when accountable mail is delivered, the addressee will be required to sign for the receipt of the mail utilizing either a single receipt form, manifest delivery form, or other computerized listing of the type and number of each accountable mail article. [b] Confirm, or explain if you are unable to do so, that this signature will always be a hand signature. [c] If not, provide the authority [and furnish a copy] which authorizes the delivery without a hand signature. [d] Confirm, or explain if you are unable to do so, that this record of delivery will be maintained in the post office of delivery. [e] Confirm, or explain if you are unable to do so, that these records will be discarded after a period of time. [f] What is the authorized time after which these records may be discarded? [g] Confirm, or explain if you are unable to do so, that a mailer who has a return receipt may receive confirmation of its validity by having the delivery office utilize the delivery record and provide this confirmation. [h] How would such confirmation be accomplished? [i] Confirm, or explain if you are unable to do so, that once the delivery records have been discarded, there will be no record of delivery maintained in the Postal Service. [j] Confirm, or explain if you are unable to do so, that once the delivery record retention period has passed and the records discarded, the mailer may no longer obtain confirmation of the validity of the return receipt. [k] Confirm, or explain if

you are unable to do so, that the inability of a mailer to obtain confirmation of the validity of the return receipt could potentially reduce the value of the service to the mailer. [l] Confirm, or explain if you are unable to do so, that the use of the red validating stamp on the return receipt could mitigate or eliminate this potential loss of the value of the service.

DBP/USPS-37 [a] Confirm, or explain if you are unable to do so, that prior to Docket MC96-3 a mailer desiring Registered Mail service for an article with a declared value of up to \$25,000 could mail the article both with or without postal insurance. [b] Confirm, or explain if you are unable to do so, that as a result of Docket MC96-3, the maximum value for making the choice of purchasing postal insurance or not was reduced to \$100. [c] Confirm, or explain if you are unable to do so, that in this Docket, it is proposed to reduce that amount to \$0, namely, for an article having a declared value of one cent or more, it is required to purchase postal insurance [I understand that the maximum insurance liability is limited to \$25,000]. [d] In the preparation for Docket MC96-3 was it the intention of dropping the limit from \$25,000 to \$100 only because the Postal Service wanted to eliminate non-postal insurance in two steps rather than doing it all at once? [e] Confirm, or explain if you are unable to do so, that with respect to the Registered Mail service that there are some costs which are independent of the value of the article, there are some costs which are only slightly related to the value of the article, and those costs which are directly related to the declared value. [f] Confirm, or explain if you are unable to do so as well as provide any other additional items, that the following costs are the same regardless of the declared value of the article: preparation, storage, and utilization of forms; training of employees, publicity of the service, acceptance of the article, and processing [not the payment of] any inquiries and claims. [g] Confirm, or explain if you are unable to do so as well as provide any other additional items, that the following costs are only slightly related to the declared value of the article: security and transportation of the article from the time it is accepted until it is delivered to the addressee. [h] Confirm, or explain if you are unable to do so as well as provide any other additional items, that the following costs are directly related

to the declared value of the article: payment of any claims for damage or loss. [i] Provide the cost per article for all of the items that are listed in response to subpart f. [j] Provide the cost per article for all of the items that are listed in response to subpart g. This should be shown for each of the 27 or 28 rate categories. [k] Provide the cost per article for all of the items that are listed in response to subpart h. This should be shown for each of the 27 or 28 rate categories. [l] Provide a table over a period of a recent 12-month period showing the number of articles mailed in each of the 27 rate categories, the number of claims that were filed in each of the 27 rate categories, and the average value paid out per claim in each of the 27 categories. [m] Confirm, or explain if you are unable to do so, the requirement, and provide the appropriate reference, that a mailer must declare the full value of an article for which registration is desired. [n] Confirm, or explain if you are unable to do so, that the mailer will communicate the declared value to the acceptance clerk at the time of mailing the article. [o] Confirm, or explain if you are unable to do so, that for any other postal employee to know the declared value of an article, that information must be specifically communicated to them from the original acceptance clerk. [p] Confirm, or explain if you are unable to do so, that if this communication chain between any two postal employees is broken, it will not be possible to accurately determine the declared value of the article. [q] Confirm, or explain and provide specific information if you are unable to do so, that no record of the declared value is transmitted as a matter of course as the article moves through the mail system. [r] Confirm, or explain if you are unable to do so, that it is not possible to accurately determine the declared value of an article by just looking at the article. Note: This may be due to the overpayment of postage or part or all of the postage falling off. [s] Confirm, or explain if you are unable to do so, that the likelihood of any given postal employee looking at a registered mail article, determining the postage paid on the article, and calculating the registry fee by weighing the article and subtracting the postage for that weight along with the fees for any other services, such as Return Receipt or restricted delivery, and then converting that registry fee just to determine the declared value will be extremely small. [t] Confirm, or explain if you are unable to do so, that for articles with a declared value of \$25,000 or less that it will

be unlikely that the value of the article will be specifically communicated from employee to employee. [u] If you are unable to confirm subpart t, are there any regulations or directives indicating a specific value for which the communication of the declared value of the article must be communicated between employees. If so, specify the value, provide copies of the directive or regulation, and enumerate the way the communication will take place. [v] If there are no regulations or directives in your response to subpart t, provide the values at which you believe 25%, 50%, 75%, and 100% of the employees will resort to communicating the declared value as the article moves through the system and the method that will be utilized to pass such information. [w] In light of your responses to subparts n through v, explain how it is possible to justify any higher costs for the transportation and security of articles with a declared value of \$25,000 or less and provide a breakdown between the costs for each of the 27 or 28 different value steps. [x] Confirm, or explain if you are unable to do so, that Registered Mail may only be utilized for First-Class Mail. [y] Confirm, or explain if you are unable to do so, that First-Class Mail is sealed against postal inspection. [z] If a mailer does not file a claim for loss or damage, how will it be possible for the Postal Service to know the contents or actual value of an article which is registered? [aa] If a mailer does not file a claim for loss or damage, what sanctions can be applied to the mailer for failing to declare the full value? [bb] How will it be possible for the Postal Service to determine the existence of such a condition? [cc] Isn't such a rule unenforceable with respect to articles for which the mailer is not interested in obtaining postal insurance. [dd] If not, explain. [ee] Because of the inability to enforce this rule, doesn't it fall into the same category as the Postal Service's change of the rule with respect to Return Receipt for Merchandise where the use of First-Class Mail under 11 ounces was no longer authorized as of Docket MC96-3 because of the inability of the Postal Service to determine that the article actually contained merchandise. [ff] If not, explain. [gg] Confirm, or explain if you are unable to do so, that there are customers who, for whatever reason they may have, do not want to purchase postal insurance for their registered articles. [hh] Confirm, or explain if you are unable to do so, that some of the reasons a mailer might not want to purchase postal insurance would be: they already have their own

insurance, they are only interested in obtaining the secure handling that registered mail provides, or the cost vs. value ratio was low enough to assume the risk. [ii] Provide any other reasons in addition to those in subpart hh. [jj] What is the logic for requiring a mailer to purchase a service that do not want or need? [kk] Is postal insurance primary or secondary to any other insurance that a mailer may have? [ll] If it is secondary, then explain why a mailer should be required to purchase it. [mm] Confirm, or explain if you are unable to do so, that the only article for which no postal insurance is required is one which has a value of \$0.00 [as opposed to one which has a value of \$0.01 for which postal insurance must be purchased]. [nn] If a registered article is completely lost, may the claim include not only the value of the contents but any or all of the following: the value of the container or envelope that the contents were in, the postage paid for mailing the article [not including any fees], the registration fee, the postage paid for any other special services such as Return Receipt or restricted delivery? Indicate which, if any, of the items are covered and provide a copy of the regulation supporting your responses. [oo] If any of the items specified in subpart nn are covered, wouldn't that automatically provide a value, albeit only perhaps a penny, which would preclude declaring a value of \$0.00. [pp] If not, explain. [qq] Refer to POM Section 811.22 and confirm, or explain if you are unable to do so, that if I purchase stock at a cost of \$1,000 and at the time of mailing it has a market value of \$5,000, and if I mail the stock certificate endorsed in blank, I must pay for a declared value of \$5,000. [rr] Same as subpart qq, except that if I purchase jewelry for \$1,000 and it now has a market value of \$5,000, I would be permitted to pay for a declared value of only \$1,000. [ss] If you confirm both subparts qq and rr, explain why the two articles are treated differently. [tt] Refer to POM Section 811.22 and confirm, or explain if you are unable to do so, that if I mail a negotiable instrument, such as a bearer bond, I must declare a value which is the replacement value of that article, which just happens to be its market value. [uu] Same as subpart tt, except that if I mail a nonnegotiable instrument, I am given the option of whether or not I want to declare a value equal to its replacement cost or to declare no value even if there is a replacement cost. [vv] If you confirm both subparts tt and uu, explain why the two articles are

treated differently. [ww] Refer to POM Section 811.22 and confirm, or explain if you are unable to do so, that any of the articles listed under nonnegotiable instruments or nonvaluables will, in fact, have at least a minimal intrinsic value, albeit perhaps only a penny for the intrinsic value for a sheet of paper. [xx] If you are able to confirm subpart ww, explain why these categories are treated differently than those under other categories which it is required to declare the market value or cost. [yy] Are there any articles which are normally being registered that have an intrinsic value of \$0.00 as opposed to \$0.01 or more? [zz] If so, specify examples. [aaa] Refer to POM Section 811.24 and explain where the authority comes from to inquire about the contents of First-Class Mail.

DBP/USPS-38 [a] Confirm, or explain if you are not able to do so, that a mailer who is utilizing Registered Mail must declare the full value of the article. [b] Confirm, or explain if you are unable to do so, that this must be done whether or not the mailer desires insurance coverage. [c] Confirm, or explain if your are unable to do so, that a mailer who is utilizing Insured Mail is not required to declare the full value and may purchase whatever value insurance is desired [although a claim may not be filed for more than the value of the article]. [d] Confirm, or explain if you are unable to do so, that the purchase of insurance is not required by a mailer of any class of mail, regardless of the value of the article. [e] What is the logic for requiring the declaration of full value for Registered Mail and not for any other class of mail. [f] Confirm, or explain if you are unable to do so, that insurance may be purchased up to a \$5,000 value. [g] What is the logic for requiring the declaration of full value for Registered Mail having a value of less than \$5,000.

DBP/USPS-39 Refer to your response to UPS/USPS-T33-11[a] and explain [a] the logic behind and the cost data which requires that the jump from 29 to 30 pounds in the Local/Zones 1-3 rate is only 25 cents while all other one pound changes between 10 and 70 pounds are 40 to 50 cents. [b] Same as subpart a, except Zone 5 and 20-21 pounds is 5 cents while 7 to 70 pounds is 75-85 cents. [c] Same as subpart a, except

Zone 7 and 9-10 pounds is 90 cents while 8 to 70 pounds is \$1.00-\$1.05. [d] Refer to your response to UPS/USPS-T33-11[b] and explain the logic behind and the cost data which requires that the jump from 6 to 7 pounds for Same Day Airport is only \$1.00 while all other one pound changes between 6 and 31 pounds are \$1.25. [e] Same as subpart d except for Custom Designed where there are numerous unequal cells, including specifically 1-2, 4-5, 5-6, 16-17, 20-21, 21-22, 22-23, 28-29, 29-30, and 50-51 pounds which do not follow in a uniform manner. [f] Same as subpart d except for PO to PO and 5-6, 13-14, 19-20, 20-21, 40-41, 41-42, and 46-47 pounds. [g] Same as subpart d except for PO to Addressee and 9-10, 14-15, 19-20, 39-40, and 46-47 pounds. [h] Explain why the variations between the four types of Express Mail do not all occur at the same weight changes. [i] Wouldn't the rates for Priority Mail and Express Mail be clearer and more understandable if there was a uniform variation for each of the one pound changes in weights [other than the need to uniformly transition in the Priority Mail from the unzoned two to five pound rates and the zoned rates above five pounds]? [j] If not, explain why not. [k] Provide me with similar charts for all other services where the rates are required to be provided in a chart as opposed to where a chart is only to provide a convenient conversion of a simple rate formula. This includes all of the various Standard Mail [B] - parcel post subclass rates. In addition to showing the per pound increase as in the two UPS responses, also provide a column which shows the percent change between the same rates for proposed rates vs. current rates. Also provide the proposed vs. current percentage change column for each of the Priority and Express Mail rate cells. [l] In an effort to avoid the necessity of follow-up interrogatories, please provide the logic behind and the cost data which justifies any variation in the various one pound changes as well as any variation in the changes necessitated by the requirement to keep the parcel post rates less than the Priority Mail rates. [m] Wouldn't the rates for parcel post be clearer and more understandable if there was a uniform variation for each of the one pound changes in weights [other than the need to maintain the rates less than those of Priority Mail]? [n] If not, explain why not. [o] Confirm, or explain if you are unable to do so, that parcel post rates must be kept lower than the same weight and zone for Priority Mail. [p] Has it been necessary

to adjust the parcel post rates to something other than it would normally be based on cost data to meet the requirements of subpart o? [q] If so, enumerate and explain the instances. [r] Same as subparts p and q except with respect to adjusting the Priority Mail rates. [s] Confirm, or explain if you are unable to do so, that there are a number of rate cells where Priority Mail costs only five cents more than parcel post. [t] What percentage of all parcel post falls into these cells? [u] What percentage of all Priority Mail falls into these cells? [v] Explain why you feel that this provides a fair and understandable rate structure. [w] Confirm, or explain if you are unable to do so, that ignoring price, there are no reasons why a mailer would choose to send a parcel by parcel post over Priority Mail. [x] Confirm, or explain if you are unable to do so, that there is a nonmachinable surcharge that may apply to a parcel sent by parcel post. [y] Confirm, or explain if you are unable to do so, that a parcel of the same size, shape, contents, and destination would not require the application of the nonmachinable surcharge if send by Priority Mail. [z] Confirm, or explain if you are not able to do so, that this could result in the cost for parcel post being greater than the cost for Priority Mail for the same parcel. [aa] How can this be considered to be fair and equitable?

DBP/USPS-40 [a] Confirm, or explain if you are unable to do so, that Standard Mail [B] must weigh 16 ounces or more [except for Special Standard Mail and Library Mail] - DMM E613.1.0. [b] Refer to DMM Section E620.1.1 and confirm, or explain if you are unable to do so, that if I have a 15 ounce parcel [which does not qualify for the Special Standard Mail or Library Rate] that I may still utilize the Standard Mail [B] rate, i.e. for Intra-BMC third zone rate of \$2.47 vs. what would normally based on the weight be \$2.95 for Standard Mail [A]. [c] With the proposed elimination of Standard Mail [A] single piece rates, would the parcel referred to in subpart b have a rate of \$2.70 [the proposed Standard Mail [B] rate except for it being under 16 ounces] or \$3.20 [the proposed rate for single piece parcels between 11 and 16 ounces]? [d] If your response to subpart c is \$3.20, explain why the Postal Service is proposing the additional increase in rates for this category of parcels. [e] Refer to DMM Section E620.3.1 and confirm, or explain if you are unable to do so, that the minimum weight for



Bound Printed Matter [BPM] is one pound. [f] Does an individual mailer who has a 15 ounce parcel which meets all of the requirements for Bound Printed Matter except for the weight and which is destined for the third zone [at an Intra-BMC location] pay the BPM rate of \$1.52 [proposed rate of \$1.54] or the regular Standard Mail [B] rate of \$2.47 [proposed rate of \$2.70]? [g] If your response to subpart f is \$2.47/\$2.70, explain why the provisions of DMM Section E620.1.1 may not be utilized for Bound Printed Matter. [h] If your response to subpart f is \$1.52/\$1.54, confirm, or explain if you are unable to do so, that the actual BPM rate is the combination of the per piece and per pound rates and that the rate chart is only a convenience for the mailer in converting and rounding the per pound/per piece values to the actual postage. [i] Confirm, or explain if you are unable to do so, that for weights between one and five pounds the rates combine the per piece rate and one-half of the per pound rate, i.e. for a 2.4 pound parcel to the third zone, the current rate would be \$1.41 for the piece and 2-1/2 times the per pound rate of \$0.075 or \$0.1875 rounded to \$0.19 for the total rate of \$1.60. [j] Explain why the 15 ounce BPM third zone parcel would not have a current rate of \$1.49 [composed of the \$1.41 per piece rate and one times the per pound rate of \$0.075] rather than the minimum shown in the chart of \$1.52. [k] Explain why a locally destined BPM parcel weighing 7.5 ounces would not have a rate of \$1.08 based on the per piece rate of \$1.06 and one-half of the \$0.031 per pound rate. [l] Confirm that your responses to subparts e through k will also apply with the proposed rates.

DBP/USPS-41      Regarding the recent United Parcel Service [UPS] strike, the Postal Service in a newspaper advertisement stated that in the past 16 days more than 9 billion pieces of mail were delivered. [a] Confirm or explain if you are unable to do so. [b] What would the normal number of deliveries be during that same time period? [c] How many additional Standard Mail parcels were accepted as a result of the UPS strike over what would normally be expected during the same time period? [d] What were the increases in revenue and expenses as a result of the increase in the number of Standard Mail parcels accepted? [e] What was the net gain or loss in USPS profits as a result of the increase in the number of Standard Mail parcels accepted as a result of

the UPS strike? [f] For the one year period starting at the end of the UPS strike, how many additional Standard Mail parcels does the USPS expect to handle as a result of the shifting of mailers from UPS and other private carriers to the Postal Service? [g] For the additional parcels noted in response to subpart f, what would the expected increases in revenue and expenses be? [h] What would the net gain or loss be over the one year period as a result of the additional parcels? [i] What is the projection for additional Standard Mail parcels and the associated revenue/expenses/profit values over years 2 through 5 as a result of the UPS strike? [j] Explain how the information provided in response to subparts c through i was developed. [k] through [r] Same as subparts c through j except with respect to Priority Mail. [s] through [z] Same as subparts c through j except with respect to Express Mail. [aa] In addition to Standard Mail [B], Priority Mail, and Express Mail, were there any other services that experienced an increase in use as a result of the UPS strike? [bb] If your response to subpart aa is yes, list the services and provide the information similar to that requested in subparts c through j. [cc] Provide revised cost data for this Docket taking into account the additional cost and revenue as a result of the UPS strike. [dd] As a result of the revised cost data, are there any plans to delay or change any of the proposed rates in this Docket? [ee] If so, enumerate. If not, explain why not.

DBP/USPS-42 [a] Confirm, or explain if you are unable to do so, that the Chairman of the Postal Service Board of Governors stated, on or about August 22nd, 1997, that he would like to push the effective date of the proposed rate increase back. [b] Confirm, or explain if you are unable to do so, that one of the reasons for this was the anticipated increase in profit expected this year. [c] Explain why the Postal Rate Commission should approve a rate increase which apparently is no longer required at the time it was contemplated.

DBP/USPS-43 In column 8 of Exhibit USPS-16A, it is indicated that the Parcel Post Unit Transportation Costs for Zones 1 through 5 are \$1.7521. [a] Confirm, or explain if you are unable to do so, that the value utilized for Docket MC97-2 was

1.5021. [b] What is the justification for a 16.6% increase in only a few months. [c] Since the costs are the same for Zones 1 through 5, what is the justification for rates which are distance related, namely, they are based on the different zones?

DBP/USPS-44 [a] Confirm, or explain if you are unable to do so, that the greater distance between BMCs will necessarily result in a greater Great Circle Distance [GCD]. [b] Confirm, or explain if you are unable to do so, that the rates for Inter-BMC parcel post are based on the zone between the origin and destination of the parcel. [c] Confirm, or explain if you are unable to do so, that the zones that are utilized in parcel post rates are based on the distance between the three-digit prefixes of the origin and destination of the parcel. [d] Confirm, or explain if you are unable to do so, that the zones are not directly based on the distance between the origin and destination BMC.

DBP/USPS-45 [a] Confirm, or explain if you are unable to do so, that the P&DC is utilized as the intermediate point between the post office and the BMC in this Docket. [b] Are there any instances in the country where two post offices which are in different three-digit prefixes as far as zone calculations are concerned [this would exclude examples such as 071 being the city of Newark NJ and 070, 072, and 073 being the associated offices] are served by the same P&DC? [c] If so, provide a listing and an explanation as to why the discussions are still valid.

DBP/USPS-46 [a] Confirm, or explain if you are unable to do so, that the GCD associated with Zone 5 is 601 to 1000 miles and Zone 6 is 1001 to 1400 miles. [b] Confirm, or explain if you are unable to do so, that if I have two post offices, A and B, whose three-digit locations are 900 miles apart that the postage for a parcel would be calculated at the fifth zone. [c] Confirm, or explain if you are unable to do so, that if the BMCs that serve post offices A and B are on an east-west line and 1000 miles apart, and office A's three-digit prefix is located 50 miles east of the westernmost BMC and office B's three-digit prefix is located 50 miles west of the easternmost BMC, then the conditions in subpart b above would be met and the parcel would be charged the fifth

zone rate for a BMC distance of 1000 miles. [d] Confirm, or explain if you are unable to do so, that if I have two post offices, C and D, whose three-digit locations are 1050 miles apart that the postage for a parcel would be calculated at the sixth zone. [e] Confirm, or explain if you are unable to do so, that if the BMCs that serve post offices C and D are on an east-west line and 950 miles apart, and office C's three-digit prefix is located 50 miles west of the westernmost BMC and office D's three-digit prefix is located 50 miles east of the easternmost BMC, then the conditions in subpart d would be met and the parcel would be charged the sixth zone rate for a BMC distance of 950 miles. [f] Confirm, or explain if you are unable to do so, that the conditions described above would produce an example of a greater distance between BMCs for a lesser distance between post offices [actually their three-digit location]. [g] Confirm, or explain if you are unable to do so, that if I have two post offices, E and F, which are served by the same BMCs as offices A and B above and whose three-digit locations are 1100 miles [E being 50 miles west of the westernmost BMC and F being 50 miles east of the easternmost BMC] apart that the postage for a parcel would be calculated at the sixth zone. [h] Confirm, or explain if you are unable to do so, that the same BMC distances exist for both the A to B parcel as well as the E to F parcel. [i] Based on the above, namely, A-B has a greater BMC distance but a lesser not greater GCD than C-D as well as A-B and E-F have the same BMC distance but different GCD, how do you reconcile the evaluation of long distance costs which is based on the concept of a greater distance between BMCs will necessarily have a greater GCD?

DBP/USPS-47      It was indicated that a new method has been adopted from previous rate cases of allocating parcel post transportation costs to the different zones. This reallocation has apparently resulted in greatly increased rates for the lower zones and no increase for the upper zones. If the total transportation costs were the same and the reallocation resulted in higher costs for the lower zones, why didn't they result in lower costs for the upper zones?

DBP/USPS-48 [a] Confirm that the proposed rates for Destination SCF and Destination Office parcel rates will be less than the proposed Local Intra-BMC parcel rates. [b] If not, explain and enumerate. [c] Confirm that Destination SCF mailings may require some sortation by the SCF and most will require transportation to the individual offices. [d] If not, explain. [e] Based on this, explain the justification and rationalization for having the two Destination rates less than the individual Local Intra-BMC rate.

DBP/USPS-49 [a] Confirm that the ability to mail packages with a length plus girth of between 108 and 130 inches will not be extended to individual parcel mailers. [b] If so, why was this ability denied? [c] If not, how will the ten percent limit be satisfied?

DBP/USPS-50 [a] Confirm, or explain if you are unable to do so, that the proposed fee for Delivery Confirmation on a manual basis will be 35 or 60 cents and that the fee for Certificate of Mailing is proposed to be 60 cents. [b] Confirm, or explain if you are unable to do so, that the proposed fee for Delivery Confirmation on an electronic basis will be 0 or 25 cents. [c] Confirm, or explain if you are unable to do so, that a customer will be given a receipt for the parcel. [d] What added information or proof, if any, will the Certificate of Mailing provide to the mailer of a parcel for the added fee of up to 60 cents over the cost of using the Delivery Confirmation Service? [e] If there is none, what is the justification of the higher rate for the Certificate of Mailing?

DBP/USPS-51 [a] Confirm, or explain if you are unable to do so, that bulk insurance will only pay for the lesser of the actual value or the wholesale cost of the contents. [b] Will this provision also apply to individual insurance? [c] If so, explain why?

DBP/USPS-52 For this interrogatory, assume that a mailer has a number of identical articles to mail and these are cards which meet the physical requirements for mailing as post cards and which contain an advertising message which would permit mailing as Standard Mail. [a] Confirm, or explain if you are unable to do so, that if I

mail these cards as First-Class Mail post cards, the service level [speed of delivery, free forwarding and return, etc.] will be equal to or better than that afforded to mailing them as Standard Mail bulk rate. [b] Same as subpart a except with respect to the level of preparation required [ability to mail in a collection box, no sorting or preparation required, etc.]. [c] Confirm, or explain if you are unable to do so, that the proposed cost for a single First-Class Mail post card will be 21 cents and will not require payment of an annual fee nor require a minimum mailing quantity and that the rate for Standard Mail regular subclass presort category will be 24.7 cents [as well as requiring an annual fee of \$100]. [d] Confirm, or explain if you are unable to do so, that for all "bulk" mailings, either First-Class Mail or Standard Mail, the minimum number of pieces required for the mailing will be the same. [e] What is the minimum number of pieces required for the mailing? [f] Same as subpart d, except, with respect to the requirement of the same \$100 annual fee. [g] Confirm, or explain if you are unable to do so, that for each of the various presort and automation categories that the preparation requirements are the same for the corresponding category in both the First-Class Mail post card rate and the Standard Mail regular subclass rate [i.e., a mailing of 3-digit automation presort First-Class Mail post cards at a proposed rate of 17.0 cents will meet the same requirements of the 3-digit automation category regular subclass Standard Mail rate of 17.8 cents]. [h] Confirm, or explain if you are unable to do so, that there are no destination entry discounts available with respect to the First-Class Mail post card rate. [i] Confirm, or explain if you are unable to do so, that there are destination entry discounts available with respect to the Standard Mail regular subclass. [j] Provide a table showing the comparison of each of the separate categories by which this mailing may be made showing the cost for the First-Class Mail post card rate as well as the Standard Mail regular subclass rate. In those instances where a destination entry discount is available, show the rate for both with and without the discount. [k] Confirm, or explain if you are unable to do so, that those mailers who utilize a destination entry discount will usually incur an expense to do so. [l] In those instances where the First-Class Mail post card rate is equal to or less than the corresponding Standard Mail regular subclass rate, explain why a knowledgeable mailer would choose

the Standard Mail rate. [m] Confirm, or explain if you are unable to do so, that the costs for handling a mailing piece in the format of a post card will be less than that of an envelope. [n] Has the Postal Service considered having a rate for Standard Mail regular subclass for mailing pieces in the format of a post card? [o] If so, why was it not adopted in this docket? If not, why not? [p] How can a higher rate for a lower level of service be perceived as being fair and equitable?

DBP/USPS-53 [a] Confirm, or explain if you are not able to do so, that under the proposed regulations if I have merchandise weighing under eleven ounces that I may either utilize First-Class Mail or Priority Mail. [b] Confirm, or explain if you are not able to do so, that under the proposed regulations if I have merchandise weighing between eleven and sixteen ounces that I must utilize Priority Mail. [c] Confirm, or explain if you are not able to do so, that under the proposed regulations if I have merchandise weighing over sixteen ounces that I may either utilize Standard Mail [B] or Priority Mail. [d] Confirm, or explain if you are not able to do so, that a comparison of all of the characteristics of Standard Mail [B] vs. Priority Mail, will show that, neglecting the price, Priority Mail will always be equal to or better than Standard Mail [B], i.e., the delivery standard for Priority Mail is faster, any parcel between 1 and 70 pounds may be sent by either service with the same level of preparation, the place of mailing is either the same or better for Priority Mail, Priority Mail will have free forwarding and return, etc. [e] Confirm, or explain if you are unable to do so, that a parcel containing merchandise may be insured regardless of whether the postage is paid at the First-Class Mail, Priority Mail, or Standard Mail [B] rate. [f] Confirm, or explain if you are unable to do so, that a *parcel containing merchandise may be registered regardless of whether the postage is paid at the First-Class Mail, or Priority Mail rate.* [g] Confirm, or explain if you are unable to do so, that when Registered Mail is utilized, there is an accounting for each individual mailpiece between the accountable mail section of the delivering post office and the delivering employee. [h] Confirm, or explain if you are unable to do so, that when Insured Mail is utilized, there is no accounting for each individual mailpiece nor even for the total number of insured parcels between the accountable mail section

of the delivering post office and the delivering employee. [i] Confirm, or explain if you are unable to do so, that when Registered Mail is utilized there is an accounting for the mail as it progresses through the mail system from the acceptance to the delivery. [j] Confirm, or explain if you are unable to do so, that when Insured Mail is utilized, there is no accounting for the parcel at any time other than when the acceptance employee provides the mailer with a receipt and when the delivering employee obtains a receipt from the addressee. [k] Confirm, or explain if you are unable to do so, that for the acceptance of the article and the delivery of the article, the security and accountability between Registered Mail and Insured Mail is either identical or better for Registered Mail. [l] Confirm, or explain if you are unable to do so, that for the time between the acceptance of the article and its ultimate delivery, the accountability and security provided to Registered Mail will be greater than that provided to Insured Mail. [m] Confirm, or explain if you are unable to do so, that, ignoring any price differential, a knowledgeable mailer with a merchandise parcel weighing over one pound will always choose Priority Mail - Registered Mail over Standard Mail [B] - Insured Mail. [n] If you provide any examples where the knowledgeable mailer referred to in subpart m would choose Standard Mail [B] - Insured Mail over Priority Mail - Registered Mail, provide an estimation of the percentage of parcels out of the total number of parcels handled would fall into that category. Remember, that any price differential must be ignored. [o] Confirm, or explain if you are unable to do so, that the fee for Registered Mail for an article with a value of \$5,000 insurance would be \$11.65. [p] Confirm, or explain if you are unable to do so, that the fee for Insured Mail for an article with a value of \$5,000 insurance would be \$50.90. [q] Confirm, or explain if you are unable to do so, that a mailer having a parcel for which \$5,000 insurance is desired would pay \$39.25 more for Insured Mail compared to Registered Mail. [r] Based on the above, confirm, or explain if you are unable to do so, that a knowledgeable mailer with a parcel containing merchandise and weighing under one pound and for which \$5,000 insurance coverage is desired will always choose Registered Mail over Insured Mail. [s] Based on the above, confirm, or explain if you are unable to do so, that a knowledgeable mailer with a parcel containing merchandise and weighing over one pound and for which \$5,000



insurance coverage is desired will always choose Registered Mail over Insured Mail in those rate cells where the Priority Mail rate is \$39.25 or less compared to the Standard Mail rate for the same zone and weight. [t] Provide a listing of all Standard Mail rate cells where the Priority Mail rate for the same zone and weight is \$39.26 or more greater than the Standard Mail rate for the same zone and weight. [u] What percentage of all parcels sent by Standard Mail or Priority Mail fall into those rate cells provided in response to subpart t? [v] What would United Parcel Service charge an individual shipper for \$5,000 insurance? [w] Based on the above, how could a knowledgeable mailer perceive the rates for insurance as being fair and equitable? [x] Confirm, or explain if you are unable to do so, that the rate for Express Mail insurance is \$45.00 for \$5,000 coverage. [y] Confirm, or explain if you are unable to do so, that a mailer having a parcel for which \$5,000 insurance is desired would pay \$33.35 more for Express Mail Insured Mail compared to Registered Mail. [z] Confirm, or explain if you are unable to do so, that Express Mail may not be registered. [aa] If so, provide a rationale for such a regulation. [bb] Confirm, or explain if you are unable to do so, that the rate for Express Mail will always be greater than that for Priority Mail. [cc] Confirm, or explain if you are unable to do so, that the level of service for Express Mail will always be greater than or equal to that for Priority Mail. [dd] What do United Parcel Service, Federal Express, and other major carriers charge their individual overnight shippers for \$5,000 insurance? [ee] Based on the above, how could a knowledgeable mailer perceive the rates for Express Mail insurance as being fair and equitable. [ff] Confirm, or explain if you are unable to do so, that a mailer with a parcel for which \$5,000 coverage may decide to accept the slower Priority Mail compared to the faster Express Mail because of the added \$33.35 difference in insurance rates between Registered Mail and Express Mail insurance rates.

DBP/USPS-54 [a] A rate is being proposed 500 banded stamped envelopes which costs 50 cents to \$1.00 more than the rate for 500 plain stamped envelopes. What are banded stamped envelopes? [b] What value does a purchaser of banded stamped envelopes obtain for their added 50 cents to \$1.00 cost? [c] What is the added cost for

the Postal Service to provide 500 banded stamped envelopes over 500 plain stamped envelopes? [d] Confirm, or explain if you are unable to do so, that plain hologram stamped envelopes will only be available in single sales. [e] Confirm, or explain if you are unable to do so, that printed hologram stamped envelopes will not be available in the 6-3/4 size. [f] Confirm, or explain if you are unable to do so, that for 500 stamped envelopes of the 6-3/4 size, the difference between the plain and printed versions is \$14.00 less \$8.50 or a difference of \$5.50 which represents the cost of printing. [g] Confirm, or explain if you are unable to do so, that for 500 stamped envelopes of greater than the 6-3/4 size, the difference between the plain and printed versions is \$15.00 less \$11.50 or a difference of \$3.50 which represents the cost of printing. [h] Provide the cost data for printing both the 6-3/4 size as well as the larger than 6-3/4 size envelopes. [i] Explain why the printing cost for the 6-3/4 size stamped envelopes is 57 percent more than the printing cost of the larger envelope. [j] Confirm, or explain if you are unable to do so, that the item in Fee Schedule 961, "Multi-Color Printing (500)" refers to price for those plain [as opposed to printed] stamped envelopes which are printed in two or more colors or which are precancelled for the regular or non-profit Standard Mail rates. [k] Confirm, or explain if you are unable to do so, that the stamped envelopes which meet the criteria specified in subpart j may not be purchased with a printed return address. [l] Confirm, or explain if you are unable to do so, that for 500 stamped envelopes of the 6-3/4 size, the difference between the plain one-color and plain multi-color versions is \$14.00 less \$8.50 or a difference of \$5.50 which represents the cost of the added color printing of the stamp design. [m] Confirm, or explain if you are unable to do so, that for 500 stamped envelopes of greater than the 6-3/4 size, the difference between the plain one color and plain multi-color versions is \$15.00 less \$11.50 or a difference of \$3.50 which represents the cost of the added color printing of the stamp design. [n] Provide the cost data for printing the multi-color designs, both the 6-3/4 size as well as the larger than 6-3/4 size envelopes. [o] Explain why the printing cost for the 6-3/4 size stamped envelopes is 57 percent more than the printing cost of the larger envelope since the stamp design is the same for both envelopes. [p] Confirm, or explain if you are unable to do so, that the current 32 cent

stamped envelope which was issued for regular use [as opposed to a commemorative, limited issue] is printed in two colors. [q] For each of the regular issue, First-Class Mail rate stamped envelopes that have been issued since 1971, provide a listing of the face value of the stamp, the description of the design, and the number of colors utilized in the printing. [r] Provide a similar listing for all precancelled stamped envelopes. [s] Provide a similar listing for all other stamped envelopes, such as commemorative and special issues. [t] If the proposed rate is implemented, will all post offices stock single color stamped envelopes for sale to the public? [u] If not, explain why the public will be forced to buy the multi-color version at the higher price. [v] What is the justification for charging the higher multi-color rate for precancelled envelopes automatically even if they should be printed in one color only? [w] Confirm, or explain if you are unable to do so, that savings bond stamped envelopes will only be available in the printed version and will not be available in the plain version. [x] Confirm, or explain if you are unable to do so, that the household (50) rates relate to printed stamped envelopes. [y] Confirm, or explain if you are unable to do so, that the added cost for a hologram stamped envelope as compared to a non-hologram stamped envelope will be one cent for a single sale, one-half cent for the household fifty purchase [\$3.50 vs. \$3.25 for 50 envelopes], and eight-tenths of a cent for the 500 printed envelopes [\$19.00 vs. \$15.00]. [z] Why is the added per envelope charge for fifty envelopes less than for 500 envelopes? [aa] Will the stamped envelope design which utilizes a multi-colored picture pasted on the inside of the envelope and showing through a square/rectangular cutout in the envelope, as has been utilized on a number of previous issues, be categorized as a multi-color version or as a hologram version? [bb] Confirm, or explain if you are unable to do so, that the single sale price of seven cents will apply to all plain stamped envelope sales of less than five hundred envelopes, including sales of precancelled envelopes for philatelic purposes, regardless of the type or design [other than those that have an actual hologram as part of the design for which the price will be eight cents]. [cc] Confirm, or explain if you are unable to do so, that the selling price for a single stamped envelope will be seven or eight cents per envelope when sold in lots of 1 to 499 stamped envelopes and will be only 1.7 cents to 2.3 cents when sold in

a lot of 500 envelopes. [dd] What are the added costs that accrue when stamped envelopes are sold in lots of 1 to 499 envelopes? [ee] Are there any costs other than the apparent extra window sales time? [ff] If so, enumerate and quantify the cost. [gg] Confirm, or explain if you are unable to do so, that the cost for 32 cent stamps is 32 cents each, whether a mailer purchases one stamp or a million stamps or any number in between. [hh] Explain the logic and justification behind selling single stamped envelopes at a price which is greater than the multiple price when the same is not justified for the sale of stamps. [ii] Is one reason, that 18 USC 1721 will permit it for stamped envelopes but not for stamps? [jj] Confirm, or explain if you are unable to do so, that a mailer desiring between 501 and 999 stamped envelopes would pay a fee of \$8.50 or \$11.50 for the first 500 envelopes and seven or eight cents for each of the envelopes above 500. [kk] Confirm, or explain if you are unable to do so, that printed stamped envelopes are available from one source only and that there is a charge by that single source over and above that which appears in the Fee Schedule. [ll] What is that single source for printed stamped envelopes? [mm] What is the added charge required in ordering printed stamped envelopes? [nn] What is the justification for charging this added fee when it does not appear in the Fee Schedule and has not been approved by the Postal Rate Commission? [oo] Will an added fee be required under the proposed rates? [pp] If so, quantify and explain. [qq] Are there any other services for which the United States Postal Service is proposing in this Docket which will not be available at the rate shown in the various rate and fee schedules? [rr] If so, quantify and explain. [ss] Are refunds available for those that have paid this added fee which was not approved by the Postal Rate Commission. [tt] If not, explain why not. [uu] Confirm, or explain if you are unable to do so, that if this docket is approved the price of a single First-Class Mail stamped envelope will go from 38 cents to 40 cents. [vv] Confirm, or explain if you are unable to do so, that the rate increase for both the First-Class Mail postage and the stamped envelope will go into effect at the same time. [ww] Confirm, or explain if you are unable to do so, that it has been the practice of the Postal Service to release the new valued stamped envelope prior to the effective date of the rate increase. [xx] Confirm, or explain if you are unable to do so, that if this policy is

continued that the selling price for a 33 cent stamped envelope purchased between the issue date of it and the effective date of the new rates would be 39 cents [33 cents postage plus the 6 cent stamped envelope fee in effect at that time]. [yy] Confirm, or explain if you are unable to do so, that in a similar manner, the sale of stamped cards would be 21 cents during the period of time between the issue date and the effective date of the proposed 2 cent fee. [zz] Will post offices be advised of the requirement of subparts xx and yy so that the proper rate may be charged? [aaa] If not, why not? [bbb] One of the rates being proposed is for a fee of 2 cents for a stamped card. Was any consideration given to having a bulk rate for them similar to the one in place and being proposed for stamped envelopes? [ccc] If so, why wasn't it implemented? [ddd] If not, why not?

DBP/USPS-55 [a] Confirm, or explain if you are unable to do so, that the official service standards for First-Class Mail are better than those for Standard Mail [A]. [b] Confirm, or explain if you are unable to do so, that in practice, the actual service standards for First-Class Mail are far better than those for Standard Mail [A]. [c] Provide documentation of the actual delivery results for both First-Class Mail and Standard Mail [A] for a recent period of time. [d] Confirm, or explain if you are unable to do so, that at one point in time a number of years ago the rate for single piece Standard Mail [A], or its predecessor designation third-class mail, was always less than that for First-Class Mail of the same weight. [e] Provide a listing showing the date and details of the weights involved at which each of the various successive changes were made to rate schedule to make the rate for First-Class Mail and Standard Mail [A] the same. [f] Confirm, or explain if you are unable to do so, that at the present time there is rate parity between First-Class Mail and Standard Mail [A] for weights up to 11 ounces. [g] Other than the ability to utilize Return Receipt for Merchandise, confirm, or explain if you are unable to do so, that there are no other reasons why a knowledgeable mailer would utilize Standard Mail [A] rather than First-Class Mail when mailing articles weighing less than 11 ounces. [h] Confirm, or explain if you are unable to do so, that there are mailers who would, if the price wasn't the same, utilize Standard Mail [A] for

their mailing of non-letter matter rather than First-Class Mail because they did not have the need for the additional service provided by First-Class Mail. [i] Explain why the Postal Service has chosen over the years to remove that choice by increasing the weight at which rate parity existed and now taken the ultimate step of eliminating the service. [j] Provide a table showing the costs for First-Class Mail and Standard Mail [A] broken down into the following categories: Collection, Mail Processing, Transportation, and Delivery. Show the comparison between the two services for different shapes of mail and different weights. The actual comparisons should be between mail of identical characteristics. [k] In those instances where the table provided in response to subpart j show a higher cost for Standard Mail [A] over First-Class Mail, provide an explanation of the reasons why a deferred service has higher costs than a premium service.

DBP/USPS-56 [a] Confirm, or explain if you are unable to do so, that the Postal Service instituted on August 16, 1996 mailing restrictions for domestic packages weighing 16 ounces or more and restricting deposit into collection receptacles. [b] Confirm, or explain if you are unable to do so, that these regulations were promulgated to enhance airline security measures. [c] Confirm, or explain if you are unable to do so, that the Federal Register [61FR52702] implementing these changes stated, "Any affected package weighing 16 ounces or more that requires air transportation and that is deposited into a collection receptacle will be returned to the sender.....". [d] Confirm, or explain if you are unable to do so, that mail weighing 16 ounces or more which is paid with postage stamps and which does not require air transportation may be deposited in collection boxes. [e] Confirm, or explain if you are unable to do so, that collection boxes may be utilized for the deposit of any of the categories of Standard Mail [B] parcels, regardless of their domestic destination, and Priority Mail which is destined to an area which will receive surface transportation even though the postage has been paid with postage stamps and the article weighs 16 ounces or over. [f] Explain why the wording in DMM Section D100.2.0 appears to restrict the deposit in collection boxes to all Priority Mail, 16 ounces or more and paid with postage stamps, regardless of whether it will receive surface or air transportation. [g] Explain why

Priority Mail, which would normally require air transportation, will automatically be returned to the sender rather than just forwarding it by surface transportation. [h] Wouldn't it provide a better level of service if the time differential between air and surface transportation was taken into account in determining whether to ship the parcel by surface or return it to the sender, particularly, if there was no return address? [i] If not, explain. [j] What is the logic in returning a parcel to a sender only to have the sender hand the parcel right back to the carrier? [k] Is a parcel which has both a meter stamp and adhesive postage stamps on it subject to these regulations? [l] Is a parcel subject to these regulations when it is either forwarded or returned to sender, regardless of the method by which the postage was originally paid?

DBP/USPS-57 [a] Confirm, or explain if you are unable to do so, that there will be a 50 cent surcharge per piece for mailing hazardous medical materials and a \$1.00 surcharge per piece for mailing other mailable hazardous materials. [b] How will articles that require this surcharge be marked to indicate their contents and the requirement for the surcharge? [c] How will the acceptance, handling, transportation, and delivery of these articles differ from an article that has the same shape, weight, and class of mail except for the requirement for the surcharge based on the contents of the mail? [d] Confirm, or explain if you are unable to do so, that the only costs that will be incurred with respect to the handling of these parcels will be in the event that there is a "problem" with the parcel. [e] What percentage of the parcels are expected to have "problems" with them?

DBP/USPS-58 A recent article in the San Francisco Chronicle indicated that they conducted a test which showed that out of 72 letters which were mailed with 10, 20, and 23 cent stamps, 70 of them were delivered normally without any additional postage due being required. [a] Confirm, or explain if you are unable to do so, that the normal method utilized by the Postal Service to determine whether a regular sized letter has the proper postage on it is a completely automated one based on the recognition of phosphor ink on the stamp. [b] Confirm, or explain if you are unable to do so, that this

method is not capable of determining the amount of postage on the letter, only that there is one or more postage stamps containing phosphor ink on them. [c] Confirm, or explain if you are unable to do so, that all postage stamps issued in the past 20+ years have phosphor ink on them except for recently issued stamps with a face value of less than 10 cents. [d] At what point did the Postal Service eliminate the addition of phosphor ink on stamps with a value of less than 10 cents? [e] Confirm, or explain if you are unable to do so, that any normal, letter-sized envelope which is less than one-quarter inch thick will be processed automatically and will be properly faced and canceled in the automated system so long as there is phosphor ink in the proper upper right corner of the envelope. [f] Confirm, or explain if you are unable to do so, that if the address is capable of being machine-read and ends up at a facility that uses delivery point sequencing in the final delivery stage that this individual letter will never be looked at by an employee until the letter is fanned through at the time of delivery by the letter carrier. [g] Confirm, or explain if you are unable to do so, that with a letter sized envelope, regardless of its weight, which is less than 6-1/8 inches high, 11-1/2 inches long, 1/4 inch thick, has an aspect ratio of between 1.3 and 2.5, has an address that can be machine read and phosphor ink in the upper right corner, will be handled on a completely automated system and will be processed by the Postal Service in return for whatever value stamp may have been utilized. [h] Confirm, or explain if you are unable to do so, that all postage meter indicia contains phosphor ink regardless of the value of postage being utilized. [i] Confirm, or explain if you are unable to do so, that mailers who fail to pay the proper postage represent a loss of revenue to the Postal Service. [j] Has the Postal Service conducted any tests to determine the extent to which mail is short paid? [k] If so, provide copies of any tests conducted in the past five years. [l] If not, explain why not. [m] Has the Postal Service evaluated the ability and associated costs to implement a change to its automated systems to determine that mail is properly paid? [n] If so, provide copies of any tests conducted in the past five years. [o] If not, explain why not. [p] Advise the action that the Postal Service will take if a letter is observed without any postage. [q] Advise the action that the Postal Service will take if a one ounce letter is observed with 1 cent to 31 cents postage on it.



[r] Advise the action that the Postal Service will take if a two ounce letter is observed with 1 cent to 54 cents postage. [s] Advise the action that the Postal Service will take if any mail is observed with less than the required postage affixed. [t] Advise the action that the Postal Service will take if any mail is observed with more than the required postage affixed.

DBP/USPS-59 [a] Confirm, or explain if you are unable to do so, that in Docket MC97-4, the Postal Service proposed Bulk Parcel Return Service [BPRS] for a fee of \$1.75 and an estimated cost of \$1.119 [Table 3 of USPS-T-1]. [b] Confirm, or explain if you are unable to do so, that this \$1.119 cost is made up of five components, namely, Collection Costs - \$0.0399, Mail Processing Costs - \$0.8887, Transportation Costs - \$0.1359, Postage Due Costs - \$0.0321, and Bulk Delivery Costs - \$0.0223. [c] If I were to propose in this Docket a rate for single piece Standard Mail [A] machinable parcels, it would be important to know the cost elements and cost data to arrive at an appropriate price. Confirm, or explain if you are unable to do so, that it would be appropriate to consider four of the five cost elements noted in subpart b, namely, all of them except Postage Due Costs. [d] Assume that an individual mailer has a single-piece, Standard Mail [A] machinable parcel weighing between 6 and 16 ounces. Compare the cost elements between a BPRM parcel and the single-piece parcel and advise the cost value that would be utilized for Collection Costs. [e] Same as subpart d, except for Mail Processing Costs. [f] Same as subpart d, except for Transportation Costs. [g] Same as subpart d, except for Delivery Costs [h] Confirm, or explain if you are unable to do so, that the single-piece machinable Standard Mail [A] parcel would under the proposed rates be required to be sent by First-Class Mail at a rate of \$1.71 to \$3.20 based on weight. [i] What will the rate be for a BPRM 6 to 16 ounce parcel under the proposed rates? [j] Confirm, or explain if you are unable to do so, that the BPRM service will only be available for use by a very limited number of mailers. [k] Why is it proposed that an individual mailer be required to utilize First-Class Mail for such a parcel while a limited number of specific mailers will be able to utilize a much cheaper service? [l] Explain why this is not a discriminatory service.

DBP/USPS-60 [a] Confirm, or explain if you are unable to do so, that post office box service is designed to be a premium service and to provide value to the user. [b] Confirm, or explain if you are unable to do so, that any increase in the number of hours that the box section is accessible to boxholders may increase the value to the boxholder. [c] Confirm, or explain if you are unable to do so, that post office box sections should be accessible to boxholders any time that employees are on duty in the facility. [d] Confirm, or explain if you are unable to do so, that there are there post office box sections which are accessible to boxholders at times when there is no one on duty in the facility. [e] Provide a listing of the security measure that are utilized in those instances referenced in subpart d. [f] Provide copies of any outstanding regulations or Headquarters directives which relate to the hours for which post office box sections should be accessible to boxholders.

DBP/USPS-61 [a] Confirm, or explain if you are unable to do so, that in Docket MC96-3, Postal Service witness provided the following response, "Well, it's -- as far as setting the fee, like I said, like I had mentioned earlier in one of my interrogatory responses, I had -- I looked for something that would be easily divisible by six, therefore making the refund process go smoothly as opposed to a -- I considered two other fees, one lower, one higher. The one wasn't divisible by six, and \$3 seemed like a sufficient amount based on the value. That is my -- that is my testimony, my opinion. QUESTION Can you tell us here today why \$6 per six months would not be sufficient to reflect the added value of box service to nonresidents? ANSWER Well, my goodness, I'll tell you, \$6 would be \$1 a month. That's a small contribution to the high value of service that these nonresidents get with their boxes, for whatever reasons they use them for. I felt \$3 was a sufficient amount. I didn't see that it needed to be higher, but I felt that \$2 or \$1 was too low, and --"[Transcript page 833]. [b] Confirm, or explain if you are unable to do so, that this testimony indicates that the rate being proposed in that Docket was determined at the belief of the witness as to what was felt to be appropriate based on the value to the customer and without any basis to cost of

providing the service. [c] Are there any rates which are being proposed in this Docket which were arrived in a similar manner? [d] If so, enumerate and explain. [e] What consideration, if any, was given to proposing a nonresident box fee in this Docket?

DBP/USPS-62 Provide a listing for each of the following services indicate, 1. the rate being proposed; 2. the cost for providing the service for the proposed rate, 3. the cost coverage percentage for the proposed rate, 4. the present rate, 5. the cost of provided the service for the present rate, and 6. the cost coverage percentage related to the existing rate: [a] Fee Group C - PO Box size 1, [b] size 2, [c] size 3, [d] size 4, [e] size 5, [f] Fee Group C - Caller Service, [g] Certified Mail [also provide data for pre-MC96-3 rate], [h] Return Receipt, [i] Return Receipt for Merchandise, [j] Return Receipt issued after mailing, [k] individual Certificate of Mailing, [l] Special Handling, [m] Single Stamped Envelope, [n] Single Hologram Stamped Envelope, [o] Plain box of 500 stamped 6-3/4 size envelopes, [p] size 10 envelope, [q] processing and handling a stamped card, [r] processing and handling a post card, and [s] fee for the stamped card itself.

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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 section 12 of the rules of practice.

David B. Popkin

  
September 8, 1997