BEFORE THE POSTAL RATE COMMISSION REG WASHINGTON, DC 20268-0001 SEP 12

RECEIVED

SEP 12 4 49 PM '97

Postal Rate and Fee Changes, 1997

POSTAL RATE GO DOCKETNO. R97-1 OFFICE OF THE SECRETARY

ASSOCIATION OF PRIORITY MAIL USERS, INC.
FIRST INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS
TO UNITED STATES POSTAL SERVICE
WITNESS THOMAS M. SHARKEY (APMU/USPS-T33-1-13)
(September 12, 1997)

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the Association of Priority Mail Users, Inc. hereby submits interrogatories and requests for production of documents. If necessary, please redirect any interrogatories and/or requests to a more appropriate Postal Service witness.

Respectfully submitted,

William J. Olson

John S. Miles

Alan Woll

William J. Olson, P.C.

8180 Greensboro Drive, Suite 1070

McLean, Virginia 22102-3823

(703) 356-5070

Counsel for the Association of Priority Mail Users, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served this document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

William J. Olson

September 12, 1997

APMU/USPS-T33-1.

Please refer to the service commitments submitted in compliance with Commission Rule 54(n).

- a. Please explain the difference between service standards and service commitments.
- Are the service commitments for Priority Mail identical to the service standards for
 Priority Mail? If not, please explain the difference.
- c. Are the service commitments for First-Class Mail identical to the service standards for First-Class Mail? If not, please explain the difference.
- d. Are the service standards for Priority Mail identical to the service standards for First Class Mail? If not, please explain the difference.
- e. Are the service commitments for Priority Mail identical to the service commitments for First-Class Mail? If not, please explain the difference.
- f. What are (i) the Priority Mail service commitments and (ii) the Priority Mail service standards from New York City to Los Angeles?
- g. To what extent does the area receiving a 2-day Priority Mail service commitment differ from the area receiving a 2-day service commitment for First-Class Mail?

APMU/USPS-T33-2.

In your response to UPS/USPS-T33-1, you refer to the development and activation of a two-day Priority Mail Network in selected northeastern states.

a. How will this network affect Priority Mail service commitments/standards in the Test
Year?

- b. Does the Postal Service expect the entire continental United States eventually to be served by such networks?
- c. Does the Postal Service expect the entire continental United States eventually to be covered by a single such network, with a national two-day service commitment/standard and a target of 96.5 percent two-day delivery?

APMU/USPS-T33-3.

- a. Will the Postal Service or the network operator contract with an independent third party to provide external performance measurement system data (i.e., end-to-end or deposit-to-delivery performance) to the Postal Service to demonstrate its success in providing 96.5 percent on-time two-day service for all destinations within the contract's service area? If not, how does the Postal Service plan to determine whether the contractor has met the 96.5 percent target for two-day delivery?
- b. If external performance data will be collected, will the Postal Service publish or routinely make such data available to the public?

APMU/USPS-T33-4.

Witness Treworgy (USPS-T22) in his testimony, on page 3, footnote 2, stated that the current "external Priority Mail service performance measurement system provides information on only 301 3-digit ZIP Codes."

a. Please explain when this system began and what it measures. Does it measure actual time to deliver to the addressee?

- For each quarter of PFY 96 and PFY 97, please provide all available service performance data with respect to this external service performance measurement system.
 - Please identify the extent to which service standards/commitments were met or exceeded.
 - (ii) Please identify the service performance of Priority Mail with overnight service standards/commitments.
 - (iii) Please identify the service performance of Priority Mail with two-day service standards/commitments.
 - (iv) Please identify the service performance of Priority Mail with three-day service standards/commitments.
- c. If the areas covered by this system have changed during the time period in question, please publish the data in columns so that the performance for identical areas are provided for each quarter.
- d. What level of statistical reliability does the Postal Service accord to these data? Please compare and contrast their reliability to the results of the external First Class (EXFC) service performance measurement system.
- e. How does this performance measurement system track when a mailpiece was received and when it was delivered?
- f. When does the Postal Service expect to provide such information for all Priority Mail?
- g. How many 3-digit zip codes are included in the EXFC service performance measurement system?

APMU/USPS-T33-5.

- a. For each quarter of PFY 96 and PFY 97, please provide all pertinent information (based on ODIS time-in-transit data or any other service performance measurement system used by the Postal Service (excepting that requested in APMU/USPS-T33-4) indicative of delivery service provided to **Priority Mail**. Please provide all available details concerning the number of pieces receiving delivery in two days, three days, four days, etc.
- b. What level of statistical reliability does the Postal Service accord to the ODIS data and other data that either measure or indicate the service performance of Priority Mail?

APMU/USPS-T33-6.

- a. For each quarter in PFY 96 and PFY 97, please provide copies of Service Performance
 Quarterly Reports for First-Class Mail based on the EXFC service performance
 measurement system.
- Please provide data on First-Class Mail service performance which corresponds to the data provided regarding Priority Mail service performance in response to DMA/USPS-T4-31(b).

APMU/USPS-T33-7.

Does the Postal Service continue to measure time-in-transit for First-Class Mail based on ODIS data? If so, please provide the ODIS raw data and percentages for the same time period covered by the EXFC data provided in response to APMU/USPS-T33-6.

APMU/USPS-T33-8.

For each quarter in PFY 96 and PFY 97, please provide copies of all analyses, statistical calculations, estimates, measures, etc. that the Postal Service prepared in the normal course of business that show the average number of days late, the distribution of "days late" (vis-a-vis the service standard), standard deviation in delivery times, consistency of delivery, analysis of the best and worst cities, etc., for First-Class Mail.

APMU/USPS-T33-9.

For each quarter of PFY 1996 and PFY 1997, please provide all service performance data available for Express Mail from the Electronic Marketing Reporting System, and data from any other system which the Postal Service uses to ascertain service performance of Express Mail.

- a. Please show the percentage of Express Mail deliveries that met the established service standards.
- b. What percent of Express Mail deliveries were delivered one day late?
- c. What percent of Express Mail deliveries were delivered two days late?
- d. What percent of Express Mail deliveries were delivered three or more days late?

APMU/USPS-T33-10.

Please describe each statistical measure used by the Postal Service to estimate the consistency with which any class of mail is delivered, identifying the source of the data used to

quantify the estimate, listing the class of mail to which the measure(s) has (have) been applied, and providing all actual estimates for Base Year 1996.

APMU/USPS-T33-11.

Does the Postal Service have any data (e.g., ODIS data, external measurement performance data) that measure the service performance of First-Class Mail, Priority Mail and/or Express Mail on a comparable basis? If so, please describe the extent and types of performance data that are common to all, and provide any service performance data common to all three products not otherwise provided in response to APMU's other interrogatories herein.

APMU/USPS-T33-12.

Does the Postal Service have any statistical basis demonstrating that during Base Year 1996 Priority Mail, on average, received faster delivery, or better service in any other way (e.g., more consistent delivery) than First-Class Mail? If so, please provide copies of all data and/or studies that support such a position.

APMU/USPS-T33-13.

In response to APMU/USPS-T11-14(c) in Docket No. R94-1, witness Foster expressed his understanding:

that if a piece can be identified as being Priority Mail, either through the use of boxes, envelopes, labels, or tape bearing the Priority Mail designation, or through the piece being identified as Priority Mail by the customer, the piece is

entered into the Priority Mail mailstream at the origin office and remains in that mailstream until it reaches the delivery office. My understanding is that if the piece cannot be identified as Priority Mail through one of the means described above, it is handled as heavyweight First-Class Mail. My understanding is that if there is any doubt regarding the identification of the piece as Priority Mail, the piece is to be entered into the Priority Mail mailstream.

- a. Does this describe the current practice of the Postal Service?
- b. Do any operations policies that are issued by Postal Service headquarters and that are currently in effect distinguish between the way "identified" and "non-identified"
 Priority Mail pieces are to be handled, and the level of service that is to be given to each? If so, please provide a copy of each such policy.
- c. If a customer pays the correct Priority Mail postage but fails to identify the piece in any other way as Priority Mail, what level of service does the postage entitle the customer to receive?
- d. What was the percentage (of total Priority Mail) of "non-identified" Priority Mail during PFY 96 and PFY 97?