

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS MODEN TO INTERROGATORIES OF
THE AMERICAN BUSINESS PRESS
(ABP/USPS-T4-16-19)

The United States Postal Service hereby provides responses of witness Moden to the following interrogatories of the American Business Press: ABP/USPS-T4-16-19, filed on September 5, 1997.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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September 17, 1997

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ABP/USPS-T4- 16

USPS has filed an objection to ABP/USPS-T-4-3, which requests identification of all "Operations Models" referred to by Witness Moden in the introduction to his testimony. The USPS objection is based primarily on the reference to the requested models in the witness' biographical statement, and not in his substantive testimony. ABP will re-phrase the interrogatory, and requests a response to the re-phrased question as follows:

[a] Are any of the Operations Models referred to by Witness Moden in the introduction to his direct testimony the subject of his substantive testimony?

[b] If one or more models are discussed in T-4, please identify these models and the pages in the testimony where they appear.

Response:

- a. No.
- b. Not applicable.

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ABP/USPS-T4-17

[a] In light of the failure of Witness Moden to confirm the accuracy of the summary of USPS automation regulations as originally stated in ABP/USPS-T4-4(a), what was the minimum percentage of pieces in an automation mailing of flat shaped periodicals required to bear accurate nine-digit zip codes *prior* to July 1, 1996?

[b] Identify the effective date of these pre- July 1, 1996 regulations.

Response:

- a. The minimum percentage of pieces in an automation mailing of flat shaped periodicals required to bear an accurate nine-digit ZIP code *prior* to July 1, 1996 was 85%.
- b. From September 20, 1992 through March 31, 1993, the basic requirement was that at least 85% of the pieces in a ZIP+4 barcoded flats mailing had to be ZIP+4 or delivery point barcoded. On April 1, 1993 through September 30, 1993, a temporary reduction in the basic requirement allowing mailings to contain a minimum of 80% ZIP+4 or delivery point barcoded pieces was placed into effect. From October 1, 1993 until July 1, 1996, the requirement for at least 85% ZIP+4 or delivery point barcoded pieces was in effect.

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ABP/USPS-T4-18

[a] Please produce any circulars, directives, regulations or written USPS policies that describe the "normal acceptance procedures" to which you refer in your response to ABP/USPS-T4-4[b].

[b] Also as a follow-up question to your response to ABP/USPS-T4-4[b] referred to in [a], does USPS currently "allow some tolerance for all types of errors, including absence of a zip plus 4 or delivery unit barcode in a flat-size automation mailing, before assessing postage at higher rates"?

Response:

- a. I am not aware of any circulars, directives, regulations, or written USPS policies that describe the "normal acceptance procedures" to which I referred to in my response to ABP/USPS-T4-4(b). However, I am told that acceptance units complete a Presort Verification Record (PS Form 2866) for each mailing that is verified. This form is used to tally the various types of errors that may be found in a presort mailing such as improper labeling or absence of a ZIP+4 or delivery point barcode in a flat size automation mailing. The Postal Service desires that all presort mailings be 100% accurate, but also recognizes that there is a need for some margin of error. Accordingly, all of the errors that occur within a presort mailing are documented and tallied on the PS 2866. After tallying all of the errors in a presort mailing, the acceptance employee checks to see if the overall error percentage is within a 5 percent tolerance and processes the mailing in accordance with the instructions on the form.
- b. Yes. A 5 percent tolerance is allowed today as part of the presort verification process. Absence of a zip plus 4 or delivery unit barcode in a flat-size automation mailing is recorded as a miscellaneous error and is included in the 5 percent

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tolerance.

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ABP/USPS-T4-19

[a] In reference to your original response to ABP/USPS-T4-12[b], has the field testing of barcode readers on the FSM 1000 begun?

[b] If your response to [a] is affirmative, when did the testing begin, and where are the tests being conducted?

[c] Please provide notice when the "formal recommendation" to the Governors to purchase and deploy bar code readers for the FSM 1000, to which you refer to in ABP/USPS-T4-12[b], occurs.

Response:

- a. Yes.
- b. Prototype testing started in Syracuse, New York in June of this year. Additional testing, using production software, will be conducted later this year and the site(s) have yet to be determined.
- c. Field testing must be completed before formal recommendation can be made to the Board of Governors. As mentioned above in 19(b), additional testing, using production software, will be conducted later this year. We will provide notice when a formal recommendation is made to the Board of Governors.

DECLARATION

I, Ralph J. Moden, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information and belief.

Ralph J. Moden

Dated: 8/16/97

CERTIFICATE OF SERVICE

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



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