

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

EXPERIMENTAL PRIORITY MAIL FLAT-RATE
Box, 2004

Docket No. MC2004-2

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS DANIEL J. BARRETT
TO OCA INTERROGATORIES (OCA/USPS-T2-25-29)
(July 30, 2004)

The United States Postal Service hereby files the response of witness Daniel J. Barrett to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T2-25-29, filed on July 16, 2004. Objections were filed to interrogatory OCA/USPS-T2-24.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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RESPONSE OF POSTAL SERVICE WITNESS BARRETT
TO OCA INTERROGATORY

OCA/USPS-T2-25. Please describe, step-by-step (action-by-action), how a retail clerk accepts a pound/zone-rate Priority Mail package at the window. Please compare this (step-by-step, action-by-action) to your expectation of how a Priority Mail flat-rate box will be accepted.

Response: I am informed that the standard procedure for accepting a weight/zone-rated package begins with placing the article on the scale that is built into the workspace and obtaining the destination ZIP Code of the piece. From this point, the procedure may differ slightly based on the information technology configuration in place. In Point of Service (POS) units, which handle the vast majority of retail transactions, the retail associate would next select Priority Mail from a mail class selection screen on the monitor. The destination ZIP Code (coupled with the origination ZIP Code in place as a system default) enables the system to automatically compute the zone of the mail piece. The zone, combined with the weight obtained via the scale, allows a base rate calculation for the mail class selected. A special services screen is then prompted, which enables the optional addition of features such as Delivery Confirmation, Signature Confirmation, or Insurance to the transaction. The total postage is then computed automatically for the retail associate and a mailing summary screen follows. The customer tenders payment and the retail associate prints and affixes a Postage Validation Imprinter (PVI) label in the amount of the postage. The package is then positioned for later dispatch to a processing facility. If the package already contains postage, the process would differ in that a \$0.00 PVI label would be applied. If the package contains only partial postage, the PVI label would make up the

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difference in the postage applied and the total amount necessary.

I am informed that the Priority Mail Flat Rate Box would follow this same procedure, except the mail class selection would be "Priority Mail Flat Rate Box" rather than "Priority Mail." Although the rate would be predetermined, the weight and ZIP Code would still be collected as part of the transaction. The weight would be automatically measured simply by virtue of the piece being placed in the convenient working space, and the ZIP Code is entered in order to generate the destination barcode for the PVI label.

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OCA/USPS-T-26. Please describe how and where postage on a pound/zone-rate Priority Mail package is verified following pickup by a carrier.

Response: I am informed that, during the route, the carrier is required to verify that postage has been applied to the piece; however, he is not required to verify the amount of postage. Supervisors are responsible for ensuring that mail is routinely sampled to assure that correct postage has been paid. Revenue assurance is the responsibility of all postal employees, and postage may therefore be validated at any point in the process from acceptance to delivery, though no formal or automated procedure exists to verify every piece.

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OCA/USPS-T-27. Please confirm that verification of postage for a Priority Mail flat rate box would be less time-consuming than verification of a pound/zone-rate Priority Mail package since the flat-rate box would not have to be weighed and the zone would not have to be determined. If you do not confirm, please explain.

Response: Unable to confirm. It is possible that Priority Mail Flat-Rate Boxes will be more easily identified as requiring a specific amount of postage, and therefore may be more readily identifiable as bearing incorrect postage, without weighing and zoning. In such cases, a time savings in verification may exist for Flat-Rate Boxes. However, when postage is applied at the window, the verification process will be the same for weight/zone rated and Flat-Rate Boxes. Moreover, it should be borne in mind that, per my response to OCA/USPS-T-26, a formal process to verify the postage on every package does not exist.

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OCA/USPS-T2-28. Please confirm that acceptance of a Priority Mail flat-rate box at a retail window is likely to be less costly than the acceptance of a zone/pound-rate Priority Mail package since:

a. the pound-rate box must be weighed, but the flat-rate box would not be weighed. If you do not confirm, please explain.

b. the zone-rate box must be checked for the origin and destination ZIP code information so that the zone can be determined, but such information is not noted for the flat-rate box. If you do not confirm, please explain.

Response:

[a] Not confirmed. Weighing the piece, in and of itself, is not likely to affect the relative cost of the acceptance process since the piece will routinely be placed on the scale on the countertop, the most convenient workspace available.

[b] Not confirmed. The origin ZIP Code is in place, as a system default, by virtue of the mail piece being entered at that location. The destination ZIP Code is entered for all packages since the PVI is to include a destination barcode.

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OCA/USPS-T2-29. Please confirm that the entry into the mailstream of a Priority Mail flat-rate box via carrier pickup is likely to be less costly than the entry of a zone/pound rate Priority Mail package via carrier pickup since:

a. the pound-rate box must be weighed after it has entered the postal mailstream to verify that the postage applied is correct, but the flat-rate box would not be weighed. If you do not confirm, please explain.

b. the zone-rate box must be checked to assure it has origin and destination ZIP code information so that the zone can be determined and the postage amount verified, but the flat-rate box would not need to be checked for such information. If you do not confirm, please explain.

Response:

[a] Not confirmed. Not every pound-rate box “must be weighed” after it is entered into the mailstream. See the response to OCA/USPS-T2-26.

[b] Not confirmed. Not every zone-rated box “must be checked” to see if the zone is correct. See the response to OCA/USPS-T2-26.

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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