

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

REPOSITIONABLE NOTES PROVISIONAL SERVICE

Docket No. MC2004-5

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS HOLLAND
TO INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-T1-1-8)

The United States Postal Service hereby provides the responses of witness Holland to the following interrogatories of the Office of Consumer Advocate: OCA/USPS-T1-1-8, filed on July 29, 2004.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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OCA/USPS-T1-1. Please state whether the Postal Service intends to apply current DMM requirements for Repositionable Notes (i.e., §§ C810.7.0 – 7.6) to the proposed new classifications. If not, please indicate any planned changes.

RESPONSE:

The current DMM requirements would have to be amended to acknowledge the expansion of availability to other types of mail (beyond First-Class Mail and Standard Mail automation-compatible letters). New DMM regulations would be needed to address mailpiece characteristics, physical requirements, and size standards for First-Class Mail, Standard Mail, and Periodicals automated and non-automated flats, as well as non-automation-compatible letters.

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OCA/USPS-T1-2. Please refer to DMM § C810.7.1.

- a. Is it correct that, currently, First-Class Mail, automation-compatible letters and cards can host qualifying Repositionable Notes (RPNs) free of charge? If this is not correct, please explain.
- b. Is it correct that, currently, Standard Mail automation-compatible letters can host qualifying RPNs free of charge? If this is not correct, please explain.
- c. Is it correct that, currently, First-Class Mail non-automation-compatible letters are not permitted to host qualifying RPNs? If this is not correct, please explain.
- d. Is it correct that, currently, First-Class Mail flats are not permitted to host qualifying RPNs? If this is not correct, please explain.
- e. Is it correct that, currently, First-Class Mail parcels are not permitted to host qualifying RPNs? If this is not correct, please explain.
- f. Is it correct that, currently, Standard Mail non-automation-compatible letters are not permitted to host qualifying RPNs? If this is not correct, please explain.
- g. Is it correct that, currently, Standard Mail flats are not permitted to host qualifying RPNs? If this is not correct, please explain.
- h. Is it correct that, currently, Standard Mail parcels are not permitted to host qualifying RPNs? If this is not correct, please explain.
- i. Is it correct that, currently, Periodicals Mail pieces are not permitted to host qualifying RPNs? If this is not correct, please explain.

RESPONSE:

(a)-(i) Correct. Currently, as part of latest of the introductory phases of the RPN program, RPNs may be affixed only to First-Class Mail and Standard Mail automation-compatible letters. With the success of the introductory phases, the next stage, proposed in this case, represents the provisional initiation of the full program under which, for a charge, RPNs may be affixed to non-parcel shaped First-Class Mail, Standard Mail and Periodicals, as specified by the Postal Service. Offering the service provisionally will allow us to make any needed adjustments, such as in price, before proposing the product as a permanent service offering.

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OCA/USPS-T1-3. Please give the date that mailers were first permitted to attach Repositionable Notes (RPNs) to their First Class and Standard Mail pieces. Also give the Federal Register cite for the inaugural date for allowing RPNs.

RESPONSE:

There is no one date due to the various stages of development of this product that the Postal Service has undertaken with the cooperation of mailers. As noted in my testimony, there were various limited “live” tests that involved “permission” for participants to attach RPNs to their mailpieces. The DMM amendment implementing the current phase of the program was published in Postal Bulletin #22099 on April 3, 2003, with revisions in #22110 (9-4-03) and #22111 (9-18-03).

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OCA/USPS-T1-4. Please indicate which of the following can be mailed as hosts of Repositionable Notes (RPNs) under the RPN proposal:

- a. First Class
 - i. automation-compatible letters
 - ii. non-automation-compatible letters
 - iii. automation-compatible flats
 - iv. non-automation-compatible flats
 - v. parcels
- b. Standard Mail
 - i. automation-compatible letters
 - ii. non-automation-compatible letters
 - iii. automation-compatible flats
 - iv. non-automation-compatible flats
 - v. parcels
- c. Periodicals
 - i. automation-compatible letters
 - ii. non-automation-compatible letters
 - iii. automation-compatible flats
 - iv. non-automation-compatible flats
- d. For any of a.(i) – c.(iv.) above that will not be eligible to be an RPN host, please explain why not. Include in your explanation any operational impediments to including such types of mailpieces.

RESPONSE:

(a)-(d) Under the proposed service, RPNs could be attached to all of the non-parcel categories listed above, as specified by the Postal Service. Parcel processing and delivery methods are not conducive to use of RPNs.

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OCA/USPS-T1-5. Please provide the records and documentation of the results of the engineering and pilot test that are described at page 2, lines 2 – 14, of your testimony.

RESPONSE:

This material will be filed shortly as a Library Reference.

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OCA/USPS-T1-6. Please provide the instructions to field and operations personnel for conducting the engineering and pilot tests described at page 2, lines 2 – 14.

RESPONSE:

Please see the response to OCA/USPS-T1-5 regarding guidelines for preparation of test pieces. Engineering tests were conducted by Postal Service engineers in a controlled and isolated environment. With regard to pilot testing, because its purpose is to see how pieces with RPNs function in the real-world environment of normal processing and delivery, no special instructions for conducting test operations were provided to the field, other than informing the Plant Managers and District Managers of Business Mail Entry of scheduled RPN mailings and instructing them to report any problems or information received from the field if processing of pieces with RPNs adversely affected operations. A sample copy of this email will be included in the library reference.

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OCA/USPS-T1-7. At page 2, lines 12 –13, you state that, “Field operations was asked to monitor whether RPNs affected any aspect of processing or delivery. No reports of such effects were received.”

- a. Did field operations personnel have an affirmative duty to report the absence of processing or delivery problems? Or were the operations personnel only required to make a report when problems were observed? Please explain.
- b. Please state the positions (or crafts) of the field operations personnel who were asked to monitor the effects of the RPNs on processing and delivery.
- c. How many such individuals submitted reports?

RESPONSE:

- a. Field operations personnel were specifically directed to report problems. Field operations personnel have a general duty, and indeed are likely, to report problems that interfere with the delivery of the mail. Please see the answer to USPS/OCA-T1-8(b) & (c) regarding negative reporting.
- b. Any personnel, such as clerks, mailhandlers, carriers, or supervisors, who were in the position to notice any effect of RPNs, were to report any problems.
- c. There were no reports of problems due to the attachment of RPNs.

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OCA/USPS-T1-8. Please refer to your testimony at page 7, lines 7 – 8. Please explain the procedures for reporting processing or delivery problems. Include in your explanation the following issues:

- a. Will there be forms for operations personnel to fill out and submit? Please explain. Also provide copies of any planned forms.
- b. Will operations personnel be asked to report that there were no problems? Please explain.
- c. Or will the data collection managers merely ask that reports be made only if problems were experienced? Please explain.
- d. If reports are made only when there are problems to report, how can data collections managers be certain that personnel have not merely followed the path of least resistance, i.e., not submitting the form (even if problems were experienced)?
- e. What are the positions of operations personnel who will be reporting on processing or delivery problems?
- f. Individuals in what types of positions will be responsible for collecting and reporting collected data?

RESPONSE:

- a. There are no plans to provide forms.
- b.-d. No, operations personnel will not be asked to report if there are no problems.

See my response to OCA/USPS-T1-7(a). Doing so could add an unnecessary administrative burden and could be impractical to implement. Employees running machines may not be aware that there are pieces with RPNs going through their operations. Or a negative report may just mean that there simply are no pieces with RPNs in that particular operation.

Also, the question seems to presume that employees experiencing problems, especially problems that may recur, would view ignoring them as “the path of least resistance.” Field personnel have an incentive to address and resolve problems to keep their operations running smoothly. The question characterizes filing no report as “the path of least resistance” compared to filing a report. But a

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general requirement of fill out a form in the absence of a problem could create a situation in which filing a “no problem” report is also “the path of least resistance” compared to having to document a problem.

- e. See the response to OCA/USPS-T1-7(b).
- f. Processing and delivery supervisors will forward reports of any problems to headquarters.

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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