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

EXPERIMENTAL PREMIUM FORWARDING SERVICE	:	Docket No. MC2005-1

RESPONSES OF UNITED STATES POSTAL SERVICE
WITNESS ARNETTA L. COBB TO INTERROGATORIES OF
THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-T1-36-42)
(January 28, 2005)

The United States Postal Service hereby files the responses of witness Arnetta L. Cobb to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T1-36-42, filed on January 14, 2005.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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RESPONSE OF POSTAL SERVICE WITNESS COBB
TO OCA INTERROGATORY

OCA/USPS-T1-36. Please refer to your response to interrogatory OCA/USPS-T1-13 in which you indicate parcels addressed to a PFS customer that are not Priority Mail, Express Mail, or First-Class Mail would be re-sent Priority Mail postage due if they require a scan at delivery or do not fit into the PFS package. It appears that the order of packing PFS mail for reshipment is likely to affect whether a parcel will fit within the Priority Mail box and thus impact the cost to the PFS customer for parcels forwarded as Priority Mail postage due. For example, if the Postal Service employee packing mail for PFS reshipment first packs parcels, eligible for PFS reshipment, that fit into an available empty Priority Mail box and then fills the remainder of the space with letters and then, if necessary, uses a second Priority Mail letter or box for the remainder of the PFS reshipment, mailers may not be saddled as often with parcels re-sent Priority Mail postage due. On the other hand, if, while packing, the reshipment Priority Mail container is first filled with letter mail that substantially fills the Priority Mail letter or box, leaving no room for a parcel that would otherwise fit into an empty Priority Mail box, then the parcel would be forwarded postage due unless the packer places the parcel in a separate box without other mail and forwards it as a PFS reshipment piece.

(a) In implementing PFS, will Postal Service policy require that when packing the weekly PFS Priority Mail shipment boxes, eligible parcels that fit will be placed first into the largest Priority Mail box available and all other PFS mail added where possible, and thus a second PFS Priority Mail reshipment box (or package) will be used if necessary for any remaining PFS mail? If not, please explain.

(b) Please confirm that if the Postal Service does not follow a policy as outlined in subpart (a), above, PFS customers would be faced with an increased risk of postage due charges that amount to a wild card of unknown potential costs for PFS customers. If you do not confirm, please explain.

(c) Will the Postal Service commit to instructing clerks, carriers or other employees preparing the weekly PFS Priority Mail shipment to pack the largest items first so as to lessen the number of Standard Mail and Package Services parcels that are reshipped Priority Mail postage due? If not, please explain.

(d) Will the Postal Service, as a policy regarding the preparation of the weekly PFS Priority Mail boxes for reshipment, train employees to first pack the largest pieces in Priority Mail boxes so as to reduce the number of times PFS customers will be charged Priority Mail postage due for Standard Mail and Package Services parcels reshipped outside the weekly PFS Priority Mail shipment? If not, please, explain.

RESPONSE:

(a) No. As I noted in my response to DBP/USPS-T1-27, employees would make educated packaging decisions, guided by standardized instructions, about whether to include a parcel in a PFS shipment after considering the mail being reshipped in

conjunction with the available containers. While those guidelines have yet to be developed, I can state that they would direct employees to choose from the available containers based primarily on the weight, volume, and dimensions of the letters, flats, and periodicals received during the week. As a general matter, employees would be directed not to increase the size of the container solely to ensure that parcels fit into the PFS package.

(b) As a general matter, it is reasonable to expect that the number of postage due pieces would be higher if the Postal Service does not have a policy like that discussed in part (a) of your question than if the Postal Service implemented such a policy. As I noted in my response to OCA/USPS-T1-34(g), however, a key element underlying the PFS product definition is that customers can typically control when and where parcels are sent to them, especially considering that they would be clearly informed of this aspect of PFS. Thus, even with the guidelines discussed in my response to part (a) above, the Postal Service does not expect customers to receive an inordinate amount of postage due pieces; customers would also, in the end, have the right to refuse such pieces. In addition, if the Postal Service did have a policy that called for eligible parcels to be placed first into the PFS package, customers would lose the incentive to have parcels sent directly to their temporary address, and the price for the weekly shipment might have to be higher.

(c)-(d) No. Please see my response to part (a) above. Such a policy would be inconsistent with witness Koroma's pricing for the service; see Attachment C to USPS-T-4.

RESPONSE OF POSTAL SERVICE WITNESS COBB
TO OCA INTERROGATORY

OCA/USPS-T1-37. Your testimony indicates that a carrier may fashion a box larger than a Priority Mail box, if necessary. Does that policy apply where a parcel is larger than the largest Priority Mail box available at the Postal Service? If so, what standard will be applied to determine when a larger box should be used? Will the policy be uniform throughout the nation? If not, why not?

RESPONSE:

A box that is larger than any Priority Mail boxes would potentially be used when the volume, weight, and dimensions of the letters, flats, and periodicals received during the week recommends the use of such a box. As I noted in my response to OCA/USPS-T1-36(a), a particular box size would not be chosen simply to accommodate a parcel.

RESPONSE OF POSTAL SERVICE WITNESS COBB
TO OCA INTERROGATORY

OCA/USPS-T1-38. Please refer to your response to OCA/USPS-T1-32(b)-(c), and the table attached thereto entitled, "Disposition of Mail at Office Service Primary Address for PFS Customer." Please explain how tabloid size periodicals will be handled for reshipment if they do not fit into a Priority Mail box.

(a) Will they be forwarded Priority Mail postage due? If not, please explain.

(b) Will a box larger than available Priority Mail boxes be fashioned in order to forward large tabloid size periodicals without postage due? Please explain.

RESPONSE:

(a) As stated in the table attached to OCA/USPS-T1-32, periodicals would be included in the PFS shipment. They would thus never be reshipped Priority Mail postage due.

(b) The employee would choose an appropriate container for the PFS shipment based on the volume, weight, and dimensions of the letters, flats, and periodicals received during the week. A box larger than any of the Priority Mail boxes could potentially be used; presumably, however, a tabloid could be folded if necessary.

RESPONSE OF POSTAL SERVICE WITNESS COBB
TO OCA INTERROGATORY

OCA/USPS-T1-39. Please refer to your testimony at page 5, lines 7-10, and your response to OCA/USPS-T1-19. Please explain why the Postal Service proposes to establish and maintain a Master Log, and explain the purposes for which the information contained in the Master Log will be used.

RESPONSE:

By consolidating the reshipping information of an office's PFS customers into a single source, the Master Log would allow each office's PFS coordinator to more efficiently and effectively manage the office's conduct of PFS.

RESPONSE OF POSTAL SERVICE WITNESS COBB
TO OCA INTERROGATORY

OCA/USPS-T1-40. Please refer to your response to OCA/USPS-T1-31, where it states, "In the absence of any quantitative means for this assessment, qualitative means would need to be pursued." Please describe the "qualitative means" referred to in your response and the information and data sources to be relied upon for these "qualitative means."

RESPONSE:

If qualitative means of collecting the information identified in interrogatory OCA/USPS-T1-31 were necessary, such means would likely include interaction with field postal employees. No specific plans have yet been formulated.

RESPONSE OF POSTAL SERVICE WITNESS COBB
TO OCA INTERROGATORY

OCA/USPS-T1-41. Please refer to your response to OCA/USPS-T1-32(b)-(c), and the table attached thereto entitled, "Disposition of Mail at Office Service Primary Address for PFS Customer." Please confirm that the rows labeled "LETTER w/ SCAN," "FLAT w/ SCAN," and "PARCEL w/ SCAN" should also refer to letters, flats and parcels requiring postage due at the primary address as being reshipped outside the weekly PFS Priority Mail reshipment package. If you do not confirm, please explain.

RESPONSE:

Not confirmed. As the section of the Attachment to OCA/USPS-T1-32 entitled "Postage Due Pieces Found at Office Serving Primary Address" states, such pieces would not be included in the PFS package because doing so would preclude the collection of the postage due. The fact that mail requires the payment of postage due does not in itself necessitate a scan.

RESPONSE OF POSTAL SERVICE WITNESS COBB
TO OCA INTERROGATORY

OCA/USPS-T1-42. Please refer to your response to OCA/USPS-T1-32(b)-(c), which discusses the reshipping of certain pieces outside the weekly PFS Priority Mail reshipment package because those pieces require a scan at delivery. Also, please refer to your response to OCA/USPS-T1-22(b), where it states, "In most cases, I do not envision attaching a reshipping label to these pieces." Under what circumstances, or to what pieces, do you envision that a PFS reshipping label would be attached to pieces reshipped outside the weekly PFS Priority Mail reshipment package?

RESPONSE:

As I noted in my testimony at pages 5-6, each PFS package would contain a label that clearly identifies the package as a PFS shipment for which postage has been paid. The Postal Service recognizes that this label must never be affixed to a mail piece that is reshipped outside the PFS package, because doing so would corrupt the data collection process. However, except for my expectation that a reshipping label would not be attached to mail pieces that require a scan at delivery (see my response to OCA/USPS-T1-22), the Postal Service has not determined exactly how outside pieces would be labeled or marked.