

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

POSTAL RATE AND FEE CHANGES
PURSUANT TO PUBLIC LAW 108-18

Docket No. R2005-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF THE OCA (OCA/USPS-T1-1)
(April 28, 2005)

The United States Postal Service hereby provides its response to the following interrogatory of the OCA, filed on April 12, 2005: OCA/USPS-T1-1.

The interrogatory has been redirected from witness Potter to the Postal Service for response. The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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April 28, 2005

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

Michael T. Tidwell

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

OCA/USPS-T1-1

Please confirm that you made the Keynote Address at the 2005 Nashville Postal Forum on March 21, 2005. Also confirm that you announced, as a goal for an extended Transformation Plan, that: "In the near term I also want us to cut by 50 percent the amount of undeliverable as addressed (UAA) mail." (See http://www.usps.com/communications/news/speeches/2005/sp05_0321pmg.htm) If you cannot confirm these statements, then please explain.

- a. In your speech, you referred to goals to be completed "in the near term" and others to be completed by 2010. Please give the span of years during which you would like to achieve a 50 percent reduction in UAA mail.
- b. For the period of years provided as an answer to part a. of the instant interrogatory, please explain how the "50 percent" is distributed to each of the years (e.g., 10 percent each year for 5 years).
- c. Please articulate all planning assumptions underlying your goal of 50 percent.
- d. Please describe the steps that will be taken by the Postal Service to achieve a 50 percent reduction in UAA mail. Include a description of how specific operations will change.
- e. Please describe the new procedures that:
 - (i) Presort mailers are expected to adopt to achieve the 50 percent reduction in UAA mail.
 - (ii) Individual mailers are expected to adopt to achieve the 50 percent reduction in UAA mail.
- f. Will the procedures listed in response to part e. be voluntary or the result of new regulations? Please explain.
- g. Which subclasses will contribute to the 50 percent reduction in UAA mail?
 - (i) Please provide a breakdown of the 50 percent figure by subclass (e.g., 45 percent of the 50 percent will occur in First Class).
 - (ii) For First Class Mail, please provide a further breakdown into the percent reduction produced by presort mailer changes and the percent reduction produced by individual mailer changes.

RESPONSE:

Confirmed that Postmaster General John E. Potter delivered the keynote address at the National Postal Forum General Session in Nashville, TN, on March 21, 2005. Also

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Response to USPS-T1-1 continued:

confirmed that he stated the following goal: "I also want us to cut by 50 percent the amount of undeliverable as addressed (UAA) mail." The specific strategies and tactics to achieve this goal are in the process of being developed. As stated in the same keynote address, "Our plan is to have Transformation Plan 2006-2010 finished and ready to distribute to our stakeholders by September 30th". Therefore, since this second Postal Service transformation process is just beginning and is now in the concept stage, no specific strategies, tactics, assumptions, and procedures as requested in OCA/USPS-T1-1 are extant. Further, since the transformation process, which began in April 2002 is iterative and the Transformation Plan itself is a "living document," the specific substrategies, tactics, and assumptions that will ultimately support the goal announced by the Postmaster General at the Forum may take years to develop fully and will be subject to continual change.