

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

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF THE OFFICE OF THE
CONSUMER ADVOCATE (OCA/USPS-10, 12-14)
(May 20, 2005)

The United States Postal Service hereby provides its institutional responses to interrogatories OCA/USPS-10, 12-14, submitted on May 6, 2005. Interrogatory OCA/USPS-12(c) was the subject of a partial objection filed on May 16, 2005. The response to interrogatory OCA/USPS-9 is forthcoming.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO OCA INTERROGATORY

OCA/USPS-10. Please refer to Attachment F to the Request, page 35, and the chart entitled “United States Postal Service Service Standards.”

- (a) Please define the terms “Overnight” and “2nd Day” as used in the chart.
- (b) Please confirm that the “Service Standards” in the chart for Express Mail “Overnight” service is found at DMM §113.4.2, January 6, 2005. If you do not confirm, please explain.
- (c) Please confirm that the “Service Standards” in the chart for Express Mail “2nd Day” service is found at DMM §113.4.3, January 6, 2005. If you do not confirm, please explain.

RESPONSE:

(a) “Overnight” means delivery on the first scheduled delivery day after the acceptance date, excluding Sundays and holidays. “2nd Day” means delivery on the second scheduled delivery day after the acceptance date, excluding Sundays and holidays. The Sunday/holiday exclusion does not apply to certain Express Mail pieces.

(b) Confirmed that DMM § 113.4.2 describes Express Mail Next Day Service.

(c) Confirmed that DMM § 113.4.3 describes Express Mail Second Day Service.

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO OCA INTERROGATORY

OCA/USPS-12. Please refer to Attachment F to the Request, page 35, the “Notes” column for Express Mail in the chart entitled “United States Postal Service Standards,” and the Domestic Mail Manual (DMM) §113.4.2.2, January 6, 2005, which refers to an “Express Mail Next Day Service directory” as being available at local post offices.

- (a) Please confirm that the directories contain ZIP Codes for which Next Day service is provided from the ZIP Code of the local post offices in which the directories are available. If you do not confirm, please explain.
- (b) Please confirm that all Next Day delivery ZIP Code pairs, i.e., ZIP Codes to which Next Day service is provided from the ZIP Codes of all local post offices (or other offices of entry), exist at the Postal Service as a data base. If you do confirm, please describe the size and format of the data base. If you do not confirm, please explain.
- (c) Please describe the decision-making process by which Express Mail Next Day delivery ZIP Code pairs are changed into Second Day Service, and vice versa. For changes from Express Mail Next Day to Second Day service, and vice versa, please explain how often such changes take place on an annual basis, and the number of ZIP Code pairs changed in the last three years.

RESPONSE:

(a) Confirmed. As stated in Domestic Mail Manual (DMM) §113.4.2.2, “An Express Mail Next Day Service Directory, showing detailed local information about Express Mail Next Day Service, is available at post offices”.

(b) Confirmed that a database with delivery ZIP Code pairs for Next Day service exists; however, the exact size of the database is unknown. The format for the database includes information on the cutoff time for mail acceptance for Next Day Service, the ZIP Codes eligible for Next Day Service, destinating office open/close schedule, and destinating office Sunday/holiday delivery.

(c) Changes to the network are approved by the Express Mail Change Control Board (EMCCB). Administratively this is accomplished by using the following

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO OCA INTERROGATORY

review process. First, the district manager will recommend the change to the Express Mail network to the area office. At the area office, the Distribution Networks Manager, the Marketing Manager, and the Operations Support Manager review, as a group, the recommended change from the district and, if approved, forward the recommendation to the EMCCB. At the Headquarters level, the EMCCB convenes to review and either approve or disapprove the requested changes to the network. The EMCCB has the responsibility for reviewing and deciding whether to implement the change to the network, determining when the Express Mail directories will be updated to reflect the change, and establishing the standard operating procedures for this process. The EMCCB advises the Chief Operating Officer and the Chief Marketing Officer through the Senior Vice President of Operations of any planned changes and their impact on service, revenue, and expenses. The EMCCB reviews recommendations five times a fiscal year.

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO OCA INTERROGATORY

OCA/USPS-13. Please refer to Docket No. C2005-1, Answer of United States Postal Service, filed May 5, 2005.

- (a) Please confirm that the Postal Service delivers Express Mail on the "2nd Delivery Day." If you do not confirm, please explain.
- (b) Please confirm that the "2nd Delivery Day" may be three or more calendar days after the date of entry of an Express Mail piece. If you do not confirm, please explain.
- (c) What percent of Express Mail is delivered on the "2nd Delivery Day?"

RESPONSE:

(a) Confirmed that Express Mail may be scheduled for delivery on the second delivery day after acceptance. There is, however, no distinct "2nd Delivery Day" Express Mail service.

(b) Confirmed that the second delivery day after acceptance may be three or more calendar days after the date of entry.

(c) The Postal Service's current measurement system, the Product Tracking System (PTS), does not collect data on Express Mail delivered on the "2nd Delivery Day." Instead, PTS collects data on the scheduled delivery date/time and the date/time delivery was made or attempted. Since Express Mail is a guaranteed service, the focus of Express Mail data collection with respect to PTS is on whether the piece arrived within the guaranteed time. On a related note, mailpieces with standards for 2-Day Service accounted for 18.5 percent of the total Express Mail volume in FY 2004.

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO OCA INTERROGATORY

OCA/USPS-14. Please refer to Attachment F to the Request, page 35, the text of Rule: 54(n) concerning “identification of any performance goals,” and the chart entitled “United States Postal Service Service Standards.”

- (a) Please identify and describe the performance goals and/or service standards for Overnight, 2nd Day, and 3rd Day Priority Mail service.
- (b) Please provide a citation to the DMM, January 6, 2005, or any other Postal Service document, supporting the response to subpart a. of this interrogatory.

RESPONSE:

(a) As the chart on page 35 of Attachment F to the Request indicates, Priority Mail has a service standard that can be overnight, 2nd day, or 3rd day. For an origin-destination pair of 3 digit Zip Codes that has an overnight service standard, Priority Mail that is accepted by the applicable time in the origin postal facility should be delivered overnight. For an origin-destination pair that has a 2nd day service standard, Priority Mail that is accepted by the applicable time in the origin postal facility should be delivered by the second day. For an origin-destination pair that has a 3rd day service standard, Priority Mail that is accepted by the applicable time in the origin postal facility should be delivered by the third day.

(b) For a Postal Service document supporting the response to subpart a, please see page 35 of Attachment F to the request. United States Postal Service Service Standards software is encompassed on a CD-ROM that contains postal service standards for, inter alia, Priority Mail. Free copies of this CD are available from the National Customer Support Center.