

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

PARCEL RETURN SERVICE

Docket No. MC2006-1

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-10)**

The United States Postal Service hereby provides its response to the following interrogatory of the Office of the Consumer Advocate, filed on December 8, 2005:

OCA/USPS-10.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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December 20, 2005

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OCA/USPS-10. Please refer to the responses to interrogatories OCA/USPS-7 and OCA/USPS-9. For each of the following Report items, describe in detail the method used to collect the data reported. Include in the description: the position(s) of personnel (1) collecting the data and (2) reporting the data; the dates that data were collected; the medium used to collect the data (e.g., telephone, mail, direct observation); and how many discrete observations were made.

- a. First Report, Items A2, A3, A4, and A5 (OCA/USPS-7)
- b. Second Report, Items A2, A3, A4, and A5; Items B1, B4, B5, B6, B8, and B10 (OCA/USPS-7).
- c. Third Report, Items A2, A3, A4, and A5 (OCA/USPS-7).
- d. Reports made in response to OCA/USPS-9, Items A1, A2, A3, A4, A5, A6, A7, A8, A9, A10, and A11; B1, B2, B3, B4, B5, B6, B7, B8, B9, and B10.

RESPONSE:

(a) FIRST DATA COLLECTION REPORT

This information was reported on August 25, 2004 by the United States Postal Service. The information was collected from various parties in multiple functions and was reviewed by a cross-functional group prior to being submitted to the Commission. The following responses therefore specify positions with regard to data collection only.

Item A2: Volume data have not been reported due to the fact that only two participants have been using the PRS products. Volume data have been collected using the electronic manifest file each mailer sends to the Postal Service on a daily basis. These data collection activities are supervised by the Manager, Ground Products, Package Services, at Headquarters.

Items A3, A4, and A5: In the response to A3, it was indicated that one mailer was retrieving PRS at 17 Bulk Mail Centers. That information was obtained from a marketing specialist who maintained regular email and phone contact with representatives of both participants. As indicated in the response to Item A5, an economist conducted field observations at 13 Bulk Mail Centers. Information that was collected during these field observations was used in the responses to all three items. The dates these field observations were conducted were as follows: 3/31/04, 4/15/04, 4/16/04 (2 BMCs), 4/19/04, 4/20/04, 4/21/04, 4/22/04, 4/23/04, 4/30/04, 5/20/04, 6/17/04, and 7/19/04. The field observations generally consisted of a tour that was provided by a BMC representative familiar with PRS operations and procedures.

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(b) SECOND DATA COLLECTION REPORT

This information was reported on February 28, 2005 by the United States Postal Service. The information was collected from various parties in multiple functions and was reviewed by a cross-functional group prior to being submitted to the Commission. The following responses therefore specify positions with regard to data collection only.

Item A2: Please see the response to part (a) concerning volume data.

Item A3: Please see the response to part (a). The information concerning the Return Delivery Unit (RDU) product was obtained from a marketing specialist who maintained regular email and phone contact with representatives of both participants.

Item A4: Please see the response to part (a).

Item A5: At a given BMC, the PRS operations were fairly straightforward and did not undergo any significant changes once they had been established. Phone calls and emails were periodically exchanged between an economist and the BMC representatives to verify that no PRS operational changes had been implemented. Furthermore, periodic field observations were conducted at the Washington BMC, although no formal records were maintained. The goal of these visits was to determine whether any significant changes had been made.

Item B1: This response was based on the economist's field observations that are described above.

Item B4: Please see the responses to Docket No. R2005-1, POIR No. 4, Question 5 and Docket No. MC2006-1, OCA/USPS-T2-3.

Items B5, B6: These items were not specifically addressed in the report.

Item B8: This response was based on the economist's field observations that are described above.

Item B10: The response to part a was based on the updated PIMS data addressed in the response to B4. A response to part b was not provided, as neither mailer was using the RDU product. The response to part c was based on the economist's field observations that are described above.

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(c) THIRD DATA COLLECTION REPORT

This information was reported on August 22, 2005 by the United States Postal Service. The information was collected from various parties in multiple functions and was reviewed by a cross-functional group prior to being submitted to the Commission. The following responses therefore specify positions with regard to data collection only.

Item A2: Please see the response to part (a) concerning volume data.

Item A3: Please see the response to part (a). The information concerning the Return Delivery Unit (RDU) product was obtained from the marketing specialist that coordinated field training efforts.

Item A4: Please see the response to part (a).

Item A5: Please see the response to part (b). The issue concerning the Non Machinable Outsides (NMO) and oversize cost models was discovered when preparing the cost models for the instant filing. The comments concerning the RDU product were based on an economist's field observations conducted at delivery units on 8/4/05, 8/5/05, 8/11/05, and 8/12/05. The field observations generally consisted of a tour that was provided by a delivery unit representative familiar with PRS operations and procedures.

(d) OCA/USPS-9

This information was filed on 12/1/05 (errata were filed on 12/5/05) by the United States Postal Service. The information was collected from various parties in multiple functions and was reviewed by a cross-functional group prior to filing. The following responses therefore specify positions with regard to data collection only.

Items A1, A2: Please see the response to part (a) concerning volume data.

Item A3: Please see the response to part (a). The information concerning the Return Delivery Unit (RDU) product was obtained from the marketing specialist that coordinated field training efforts.

Item A4: Please see the response to part (a).

Item A5: Please see Docket No. MC2006-1, USPS-T-2, Section III.B.

Items A6, A7: Please see the response to part (a) concerning volume data.

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Item A8: As stated in the third data collection report, these data are not available.

Item A9: Please see the response to part (a) concerning volume data.

Item A10: No response is required given that no participants have ever used the BPM PRS product and no request has been submitted in the instant proceeding for permanent BPM PRS rates.

Item A11: This information was obtained from the marketing specialist that coordinated PRS training efforts.

Item B1: Please see Docket No. MC2006-1, USPS-T-2, Section III.B.

Item B2: This response was based on the economist's field observations that are described above.

Item B3: This information was collected by an economist on 12-9-04, 12-17-04, and 12-23-04. A total of five machinable RBMC containers and three NMO/oversize containers were sampled.

Item B4: Please see the response to part (c).

Item B5: This information was provided by the marketing specialist that coordinated PRS training efforts.

Item B6: The costs associated with sampling were based on actual field data collected prior to Docket No. MC2003-2. Given that sampling procedures had not changed at the time Docket No. MC2006-1 was filed, the Docket No. MC2003-2 data were again used.

Item B7: No response was provided.

Item B8: Please see the response to OCA/USPS-T2-9.

Item B9: This response was based on the economist's field observations that are described above.

Item B10: For part a, please see Docket No. MC2006-1, USPS-T-2, Section III.B. For part b, the estimate appeared reasonable based on the economist's delivery unit field observations described above. For part c, please see Docket No. MC2006-1, USPS-T-2, Section III.C.

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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