

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

EVOLUTIONARY NETWORK DEVELOPMENT
SERVICE CHANGES, 2006

Docket No. N2006-1

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DOUGLAS CARLSON
(DFC/USPS-2, 4 AND 5)
(April 24, 2006)

The United States Postal Service hereby submits its responses to the following interrogatories of Douglas Carlson: DFC/USPS-2, 4 and 5, filed on April 6, 2006. Each interrogatory is stated verbatim and followed by the response.

Objections to DFC/USPS-1 and 3 were filed on April 13, 2006.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DOUGLAS CARLSON**

DFC/USPS-2. Please refer to footnote 1 on page 23 of the Postal Service's response to the Commission's Notice of Inquiry No. 1. Please confirm that the numbers of boxes cited in the footnote refer to the entire 985 ZIP Code area, not solely the service area of the Olympia post office.

RESPONSE

There are 420 collection points in the 985 ZIP Code area, consisting primarily of blue free-standing collection boxes. All have pickup times for Monday through Friday. Some also have Saturday pickup times. Some have multiple pickup times on Monday through Friday or Saturday. Thus, the 420 collection points have a combined 892 pickup times per week. Of those 420 collection points, there are 173 in Olympia (98501-03, 98506, 98512, 98516).

Subtracting for the 154 *early* collection times on boxes with multiple daily collections, there are a combined total of 738 *last pickup* (either final weekday or final Saturday) collection times per week for these 420 collection points. Of these 420 collection points, 143 will experience changes in pickup times. All 143 are in Olympia. Of these, 130 will have 1 or more times moving earlier.

Of the total 892 pickup times at the 420 collection points, a total of 189 are moving earlier. Of the 738 total *last pickup* times, 161 are moving earlier. It is these 738 and 161 figures that the footnote in the NOI response was attempting to represent. All 161 of the *last pickup* time changes that are moving earlier are in Olympia and are associated with 130 (of the 173) collection boxes there.

Of the 161 Olympia *last pickup* times proposed to move earlier, only 56 were *at or after 5PM* to begin with. 33 of these 56 are proposed to still be an *at or after 5PM* time. 20 of these 56 are proposed to be an *at or after 4PM but before 5PM* time, and 3 are proposed to move to a time earlier than 4PM.

Thus, contrary to the impression created by the NOI footnote, that 161 Olympia boxes were moving from a 5PM to a 4PM *last pickup*, only 20 *last pickup* times among 130 boxes in Olympia move from *at or after 5PM* to *at or after 4PM*.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
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DFC/USPS-4. Please refer to footnote 1 on page 23 of the Postal Service's response to the Commission's Notice of Inquiry No. 1. Please provide all documents relating to the Postal Service's consideration, evaluation, or assessment of the extent to which a change in collection times from 5:00 PM to 4:00 PM would or would not meet the needs or requirements of the community or conform to the Postal Service's national service standards for collections.

RESPONSE

As outlined in the attachment to DFC/USPS-5, national standards in Chapter 3 of the Postal Operations Manual would allow either a 4:00 PM or 5:00 PM last collection, based on volumes deposited in a particular collection box, the locations of other collection boxes in the community, and other factors as determined by local postal managers. No evaluation at the national level would have been performed for collection boxes located in Olympia WA or adjacent post offices.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DOUGLAS CARLSON**

DFC/USPS-5. Please refer to footnote 1 on page 23 of the Postal Service's response to the Commission's Notice of Inquiry No. 1. Please provide the Postal Service's national service standards for collections and any memos relating to the requirements contained therein that Postal Service headquarters has issued since 2002.

RESPONSE

Postal policy pertaining to collection of single-piece First-Class Mail, as reflected in Chapter 3 of the Postal Operations Manual (as updated through May 2005), is attached. The content of any national policy directives amending the POM through that date would be reflected therein. No such memoranda have been issued since then.

3 Collection Service — National Service Standards

31 Applicability and General Requirements

311 **Applicability**

Instructions apply to all city delivery offices. At noncity delivery offices the district manager or designee determines the degree of application.

312 **Local Postmark**

312.1 **Local Postmark Requirement**

The local postmark must be made available in every community having a Post Office™. There are no exceptions to this policy.

312.2 **Lobby Drop for Local Postmark**

At every Post Office, including classified stations and branches, a lobby drop must be provided for the deposit of mail for which the local postmark is desired. These lobby drops must be specifically identified for that purpose.

313 **Collection Requirements**

313.1 **Collection Schedules**

Collection service must function efficiently; therefore, establish collection schedules as follows:

- a. Gear frequency of trips to outgoing dispatches.
- b. Arrange schedules consistent with requirements of the local community and timely handling of mail at the processing point.
- c. Make collections as near as possible to the posted pickup time, but not before posted times for specific trips.
- d. Review operation continually to make modifications as justified by changed conditions.

313.2 Motorized Collections

Motorized collections are not to be made earlier than the scheduled time and should be made no later than 20 minutes after the posted time.

313.3 Residential Box Collections

Letter carrier collections from residential collection boxes must not be made before the scheduled time and should be made within 20 minutes after the posted time to the extent practicable.

313.4 Multiple Box Collections

Where boxes are located in multiple units, collections must be scheduled from all boxes in the cluster. An exception is permissible only if mail from one of the boxes receives significantly more expeditious dispatch by being collected separately.

313.5 Collections From Small Offices and Airports

At small offices and airports that do not have Saturday afternoon, holiday, or Sunday collection service, the district manager may authorize service from nearby offices. The district manager should consider highway contract route carriers, rural route carriers, or mail messengers for making collections from the box in front of small offices or at airports not provided collection service. When a holiday falls on a Monday, a collection must be made from all collection boxes on either Sunday or the Monday holiday.

313.6 Platform Collections

Schedule the latest possible acceptance time at the back platform of the mail processing unit for receipt of ZIP Coded mail properly separated to the designated next-day-delivery service area.

313.7 Establishment of and Changes in Collection Schedules and Collection Box Locations

Any decision made under this chapter that affects collection schedules or the locations of collection boxes must take into account and be consistent with the needs of the community affected by the decision, the volume and the type of mail affected, the need for timely processing of the mail, and the need to meet outgoing dispatches.

314 Collection Tests

Conduct tests at least once each quarter at all city delivery offices. Use plastic collection test card D-1148 and PS Form 3702, *Test Mailing Record (Collection and Special Test Mailings)*. Administer collection tests in accordance with Chapter 1 of Handbook M-39, *Management of Delivery Services*.

315 **Collection Boxes**

315.1 **Appearance**

All collection boxes must have a uniform appearance and identification system nationwide so that customers can readily recognize the type of service provided at each box. All boxes must be maintained in good condition and the collection times decal must be clean and legible. Boxes must be painted in accordance with and have only the decals prescribed by Corporate Identity Policy at Headquarters, and Handbook MS-22, *Street Letter Box Maintenance*.

315.2 **Number and Types**

Install a sufficient number of all types of boxes (see 321 through 324) within the city delivery area to handle mail volume according to the following guidelines:

- a. Receiving boxes and mail chutes may be installed in public buildings, private buildings open to the public during business hours, or in transportation stations and depots.
- b. Cooperative mailing racks may be installed in office buildings.

315.3 **Locations**

315.31 **At Postal Units**

Provide a regulation collection box at all CAG A-K offices and at all classified stations, branches, and self-service postal centers. Boxes should also be provided at contract stations and branches. At CAG L offices where a letter box is not supplied, provide a slot in the outer Post Office door.

315.32 **In Residential Areas**

In residential areas, if collection boxes are about 1 mile apart, the density of these boxes is generally considered adequate. In areas that receive motorized delivery only to curbside boxes, neighborhood delivery and collection box units (NDCBUs), or cluster box units (CBUs), this standard need not be followed unless such service is mixed with other methods.

315.33 **In Business Areas**

In business areas, install boxes where the greatest mail volume is generated and where boxes are convenient to the greatest number of business places.

315.4 **Removal or Relocation**

If a box generates fewer than 25 pieces a day, conduct a review to determine if the box should be retained. Factors to consider include the volume of mail collected and the character of mail collected, such as sales orders, daily reports, or other types of mail.

316 **Collection Times Decals**

A correct and legible collection times decal displaying all scheduled collections must be affixed on all collection boxes; on all regular collection boxes, the collection times decal must indicate the location of the nearest Express Mail® collection box. All collection boxes that do not display a last pickup time decal must have a collection times decal clearly marked to indicate the location of the nearest collection box with a last pickup time decal where 5:00 p.m. (or later), Sunday, and holiday services are available. Those collection boxes displaying a time decal indicating the last pickup time between 5:00 p.m. and 6:30 p.m. must indicate the location of the nearest collection box with a last pickup between 6:30 p.m. and 8:00 p.m. All collection boxes displaying a last pickup time decal must indicate the location of the nearest processing facility, or other location, that provides the last collection and dispatch on weekdays and that also provides Saturday, Sunday, and holiday service. For further instructions on last pickup time decals, see section 322.

317 **Collection Box Record**

Maintain a record showing location of each collection box/point and times of collection in the computer-generated listings. Use the computer-generated listings to record information on maintenance of collection boxes (such as painting, lubrication of locks, anchoring, date of replacement of decals) and other collection box information.

32 **Types of Collection Boxes**

321 **Local Delivery**

321.1 **Identification**

These boxes must be clearly marked with Label 162, *Local Delivery*, and must show sufficient information so that customers will know what constitutes local delivery in the particular area where the box is located. This normally means delivery to the ZIP Code™ areas of the origin Post Office.

321.2 **Location**

Provide separate designated boxes at city delivery offices where the collections are taken to an area mail processing center for distribution. The minimum requirement for the location of these boxes is at the main office, classified stations and branches, and SSPCs.

321.3 **Number of Boxes**

Local management must decide where there is a need for local delivery boxes in addition to the minimum number required under 321.2.

321.4 Collection Schedule

Since these boxes will be located in clusters with other types of collection boxes, the schedule times should be the same as for the adjacent boxes. These collection times should be augmented as necessary to ensure that local mail deposited in these boxes meets established delivery service standards.

322 Boxes Displaying Last Pickup Time Decals — 30-Minute Time Increments**322.1 General**

Boxes that generate a daily average of 100 or more pieces on weekdays and boxes needed to meet the requirements in 322.2 regardless of volume must display a last pickup time decal.

322.2 Last Pickup Between 5:00 p.m. and 6:29 p.m. (Monday Through Friday)**322.21 Decals**

These boxes should display 5:00 p.m., 5:30 p.m., or 6:00 p.m. decals, as appropriate.

322.22 Locations

Locate these boxes as follows:

- a. Where needed in business areas or on main thoroughfares so that customers do not have to travel more than approximately 2 miles from their homes to a box displaying a last pickup time decal.
- b. In front of main offices, classified stations and branches, and SSPCs.

322.23 Collection Schedules**322.231 Monday Through Friday**

These boxes should have at least two collections daily, with the last collection scheduled at 5:00 p.m. or later.

322.232 Saturday

Saturday schedules should include as many collections as necessary, with the last collection from each box scheduled as late as possible in the day, but in no case earlier than 1:00 p.m.

322.233 Sunday and National Holidays

Sunday and holiday pickups should be at least once a day, as late as possible, to ensure that the mail will connect with dispatches of value to meet established standards.

322.3 **Last Pickup Between 6:30 p.m. and 8:00 p.m. (Monday Through Friday)**

322.31 **Decals**

These boxes should display 6:30 p.m., 7:00 p.m., 7:30 p.m., or 8:00 p.m. decals, as appropriate.

322.32 **Location**

These boxes will be located at those offices where processing, either incoming or outgoing, is scheduled at the central processing plant during these evening hours or where the office has a late evening dispatch to the area processing plant. These boxes may be located in front of main offices, classified stations, classified branches, SSPCs, and where needed in business areas or main thoroughfares.

322.33 **Number of Boxes**

Local management must decide where the volume of mail justifies the placement of this type of box in addition to those located at postal units.

322.34 **Collection Schedules**

322.341 **Monday Through Friday**

These boxes should have as many collections as necessary, with one collection shortly after 5:00 p.m. and the last collection scheduled between 6:30 p.m. and 8:00 p.m. Schedules should provide a late evening deposit point for interested customers to ensure next day delivery within the local area service plan.

322.342 **Saturday**

Saturday schedules should include as many collections as necessary, with the last collection from each box scheduled as late as possible in the day, but in no case earlier than 3:00 p.m.

322.343 **Sunday and National Holidays**

Sunday and holiday pickups should be at least once a day, as late as possible, to ensure that the mail will connect with dispatches of value to meet established standards. The last collection should be no earlier than 3:00 p.m.

323 **Residential**

323.1 **Identification**

These boxes do not display last pickup time decals. However, as specified in 316, the collection times decal affixed thereon must indicate the location of the nearest collection box with a last pickup decal where 5:00 p.m. (or later), Sunday, and holiday services are available.

323.2 Location

These boxes should be located throughout residential areas as needed and to ensure that the density standard in 315.32 is met. They are not required in areas that receive motorized delivery only to curbside boxes, NDCBUs, or CBUs. If such service is mixed with other delivery methods, the standard in 315.32 should be followed.

323.3 Number of Boxes

Local management must decide where the volume of mail justifies the placement of residential boxes.

323.4 Collection Schedules**323.41 Monday through Saturday**

These boxes should have a posted pickup time approximately 20 minutes prior to the expected arrival time of the carrier serving the route in the area. If the foot or motorized carrier normally passes these boxes on return to the delivery unit, the pickup should be scheduled at that time so that the latest possible collection is made.

323.42 Sunday and National Holidays

Normally, full collection service from these boxes is not a requirement; however, this service may be provided where local management is convinced there is a need.

324 Motorist Mailchute/Post Type Boxes

Whenever these boxes are in use, identify them to reflect the level and type of service intended as outlined in 321 through 323.

325 Express Mail Collection Boxes**325.1 Identification**

Mark these boxes with the appropriate Express Mail decals and Express Mail Collection Times decal/customer information as prescribed in Handbook MS-22, *Street Letter Box Maintenance*.

325.2 Location

Separate, designated boxes may be provided at all offices that accept Express Mail Next Day Service shipments. The minimum requirements for the location of these boxes will be determined by the district manager or designee.

325.3 Number of Boxes

The district manager or designee must decide where there is a need for Express Mail boxes (locations inside buildings and street locations) in addition to determining the need for local or area-wide collection service.

325.4 Collection Schedules

Collection schedules must be set so as to provide the latest possible collection consistent with local acceptance and dispatch capabilities.

326 Mail Deposit and Collection**326.1 Collection Times**

Mail is collected in residential and business areas served by city carriers at times scheduled to connect with mail dispatches. Mail is also collected in business areas at frequent intervals to keep boxes from becoming overloaded and to provide an even flow of mail to the Post Office.

326.2 Ordinary Deposit of Mail**326.21 Post Office Lobby**

Letterdrops are provided in lobbies of all Post Offices for the ordinary deposit of mail.

326.22 Collection Boxes

Collection boxes for the ordinary deposit of mail are placed at convenient points in areas served by city carriers, at noncity delivery offices in front of Post Office quarters, and in nonpersonnel rural units.

326.23 Rural Boxes

Mail on which postage is paid may be deposited for collection in mailboxes on rural routes.

326.24 Vertical Improved Mail Mailrooms

At vertical improved mail (VIM) mailrooms, mail may be deposited in bundle mail drops where provided. Otherwise, it may be left with the carrier on duty when the VIM call window is open.

326.3 Deposit of Mail With Employees

The following types of mail may be handed for dispatch to employees on duty in mobile units or transfer offices and at airport mail facilities:

- a. First-Class Mail® on which postage is paid.
- b. Package Services mail presented by representatives of manufacturers or distributors of medicines or serums when endorsed: "Emergency — This package has been weighed and bears necessary postage. Any additional postage found to be due is guaranteed by sender." Package Services mail, except that described, and mail to be sent Registered Mail™, Insured Mail, or COD is not mailable with the employees identified above.
- c. Unless acceptance is prearranged and previously authorized by the postmaster, only parcels that may be opened for postal inspection in the presence of the mailer to determine mailability of contents may be accepted at airport mail facilities.

326.4 Mailchutes and Receiving Boxes

326.41 Use

326.411 Determination of Installation

Mailchutes and receiving boxes may be placed, at the expense of the owner, in public buildings, railroad stations, hotels, and business or office buildings of not less than four stories, and apartment houses of not less than 40 residential apartments. Buildings with receiving boxes must be open to the general public, without restrictions, during the hours specified for mail collections. If the owner of a building does not want to install a mailchute and receiving box, a receiving box may be installed only if the postmaster determines it is necessary and approves its installation.

326.412 Purpose

Mailchutes and receiving boxes are intended for the deposit of First-Class Mail. Standard Mail® may not be deposited in mailchutes and receiving boxes.

326.42 Installation, Specification, and Maintenance

Requests for the installation of mailchutes and receiving boxes must be approved by the postmaster, and he or she must be furnished the contract and specifications for any proposed chute and box. The specifications for mailchutes and maintenance procedures are covered in Publication 16, *Mail Chutes, Receiving Boxes, and Auxiliary Collection Boxes: Regulations and Specifications*.

326.5 Bulk Mailings

Mailings under permit indicia or in bulk must be deposited at times and places designated by the postmaster. These mailings are prohibited from deposit in collection boxes, mailchutes, receiving boxes, or other mail receptacles because they must be verified to ensure proper acceptance.

326.6 Separation of Mail by Sender

Customers with large mailings at single piece First-Class or Standard Mail rates should separate and rubber band them into bundles labeled "Local" and "Out of Town." These labels may be obtained from the Post Office.

327 Plant Load Operations

327.1 Definitions

327.11 Plant Loading

Plant loading is an operation in which the Postal Service receives mail at a mailer's plant and transports it to bypass handling that otherwise would be required at one or more Postal Service facilities. Plant loads are authorized when they benefit the Postal Service (see 327.3).