

# DOCKET SECTION

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

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POSTAL RATE COMMISSION  
DOCKET NO. R97-1  
OFFICE OF THE SECRETARY

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS PLUNKETT TO INTERROGATORIES OF DAVID B. POPKIN  
REDIRECTED FROM THE POSTAL SERVICE  
(DBP/USPS-73-78, 83, AND 85), AND REVISED RESPONSE TO  
INTERROGATORY DBP/USPS-29, REDIRECTED FROM THE POSTAL SERVICE

The United States Postal Service hereby provides responses of witness Plunkett to the following interrogatories of David B. Popkin: DBP/USPS-73-78, 83, and 85, filed on October 7, 1997, and redirected from the Postal Service. The Postal Service also provides the revised response of witness Plunkett to David B. Popkin's interrogatory DBP/USPS-29, filed on September 10, 1997. The original response, filed on September 29, 1997, omitted reference to the last of the six subparts of part (i) of this interrogatory.

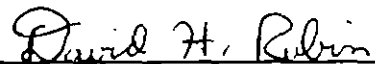
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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DBP/USPS-73      The response to DBP./USPS-24 subparts a, c, g, and i, indicates that Restricted Delivery, Return Receipt after mailing, and the ability to mail at other than a post office or with a rural carrier are not available for Return Receipt for Merchandise. [a] What is the logic of permitting Restricted Delivery for all types of accountable mail other than Return Receipt for Merchandise? [b] Since a record of delivery is made when the Return Receipt for Merchandise is delivered, what is the logic for not providing the Return Receipt for Merchandise after mailing? [c] Is a duplicate Return Receipt available for the Return Receipt for Merchandise service? [d] If not, what does a mailer do if the return receipt is not received or is received without being properly completed? [e] What is the logic for requiring Return Receipt for Merchandise to be mailed at a post office or with a rural carrier?

DBP/USPS-73 Response:

- a. Return receipt for merchandise has a feature, the sender's option of waiving the customer's signature, that is unique among special services, and which is inconsistent with provision of restricted delivery service.
- b. Return receipts are available after mailing to serve the needs of customers that did not anticipate the need for a return receipt at the time of mailing. Thus, a necessary element of return receipt after mailing is the presence of a delivery record independent of return receipt service. When a return receipt for merchandise is not purchased at the time of mailing, no delivery record is created, so providing a return receipt after mailing would be impossible. See also response to subpart c.
- c. Yes.
- d. Not applicable.
- e. Form 3804, which is used for return receipt for merchandise service, allows the mailer to waive the signature requirement for the return receipt, and provides the sender with a mailing receipt. Conferral of the mailing receipt requires acceptance either at a retail window or through a rural carrier.

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DBP/USPS-74 Please clarify your response to DBP/USPS-28 subpart u in light of the last sentence of POM 822.111. I am interested in the transaction between the delivering employee and the clearing clerk as opposed to the time that the clearing clerk must put the return receipt in the mail.

DBP/USPS-74 Response:

*Carriers are required to give all return receipts to the clearing clerk daily.*

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DBP/USPS-75 In your response to DBP/USPS-29 subpart a, [a] explain the difference between "check all return receipts to make sure that they are properly signed and dated" vs. "evaluate all return receipts ... to ensure that they are properly completed". [b] If there are any checks or evaluations which are not made by the clearing clerk, indicate what effort the Postal Service makes to ensure that the particular item on the return receipt is properly completed. [c] Who is responsible for ensuring that the requirements that are referred to in subparts c, g, and h have been properly followed? [d] Explain your use of the words "In general" in your responses to subparts b, d, and f.

DBP/USPS-75 Response:

- a. The first phrase is limited to the signature and date, while the second phrase might include checking other elements of the return receipt.
- b. The employee delivering the letter bearing the return receipt, and the clearing clerk share responsibility for the proper completion of a return receipt.
- c. See response to subpart b.
- d. In each instance "in general" is used as a qualifier. While I am agreeing that each of the premises presented in these questions is reasonable, I am allowing for the fact that, among the millions of return receipt transactions that take place in a given year, there may be some set of circumstances, however rare, that preclude an unqualified affirmative response.

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DBP/USPS-76      In your response to DBP/USPS-31 subpart b, you were unable to confirm my statement. [a] Are there any situations where a delivery office may have an arrangement which allows for the return receipt to be signed for at a "later", more convenient time? [b] Are there any situations where a delivery office may not have the return receipts signed for at the time of delivery? [c] Explain and elaborate any positive response to subparts a and b.

DBP/USPS-76 Response:

- a. While agreements of this kind would appear to be contrary to the letter referred to in DBP/USPS-31, in some cases they may exist, especially for large recipients of return receipt mail. The aforementioned letter was intended to call the attention of all district managers to the expectations of return receipt customers. Follow up to the letter has focused on correcting specific situations that have come to the attention of headquarters delivery operations in which return receipts used to be signed for after the time of delivery. See also my response to DBP/USPS-77.
- b. Though the letter referred to in DBP/USPS-31 does not identify any situations of this kind, they may exist, especially for large recipients of return receipt mail. See also my response to DBP/USPS-77.
- c. See the responses to parts a and b.

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DBP/USPS-77        In your response to DBP/USPS-32 subparts a and b, you indicate that it is a goal to achieve the signing for all accountable mail and the associated return receipt at the time of delivery regardless of the type of addressee or the number of articles involved. [a] Elaborate what you mean by a goal. [b] Does this goal have the support of management? [c] Does this goal apply to all delivery offices? [d] Do you agree that this goal should be attempted to be met by all delivery offices? [e] Explain any negative response to subparts b through d. [f] Are there any instances existing anywhere within the Postal Service where the signing for the accountable mail and the associated return receipt are, by default or by design, not completed at the time of delivery? [g] Provide details of any affirmative response to subpart f including the authority for and the method of delivery. [h] Elaborate on your response to the statement in reply to subpart b, "In some cases it is possible that the signature takes place after delivery." [i] In your response to subpart e, you indicated that it would be relatively rare for multiple pieces of articles requesting return receipts to be addressed to a single recipient. Does this apply to various government agencies, such as IRS and the state tax departments, as well as other government agencies and large commercial organizations? [j] Confirm, or explain if you are unable to do so, that DMM Section D042.1.7b would place the requirement for obtaining the signature at the time of delivery from that of being a goal to that of being a regulation. [k] Does DMM Section D042.1.7 apply to all addressees within the service area of the United States Postal Service? [l] If not, provide a listing of any exceptions and the authority for doing so.

DBP/USPS-77 Response:

- a. The use of the term goal was meant to distinguish from the word requirement used in DBP/USPS-32 as there is no mention of a time requirement in the referenced POM sections, other than to specify that return receipts must be mailed no later than the next workday following delivery of the attached article. See also Tr. 3/987.
- b. Yes.
- c. Yes. The POM applies to all delivery offices.
- d. Such is the nature of organizational goals.
- e. Not applicable.
- f. See response to DBP/USPS-76.

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- g. See my response to DBP/USPS-76. In addressing the issue of authority, it should be remembered that, though bound by the same set of procedures throughout the country, field managers exercise a considerable degree of autonomy in managing their operations to meet the demands of local conditions. As a result, there may be isolated instances where deviations from existing policy occur. My understanding is that when such instances arise, they are dealt with on a case by case basis. In some cases, this has led to the creation of detached mail units for the processing of high volumes of return receipts. Such situations may also lead to refinements in official policies or procedures where warranted.
- h. This phrase is used as a qualifier in this instance. While I am agreeing that the Postal Service's goal is to obtain the required information at the time of delivery, I am allowing for the fact that, among the millions of return receipt transactions that take place in a given year, there may be some set of circumstances that precludes an unqualified affirmative response.
- i. Relatively rare does not mean impossible; the instances you cite may be the rare instances to which I refer.
- j. The heading for DMM § D042.1 uses the term "standards". My understanding is that the DMM is incorporated by reference into Title 39 of the Code of Federal Regulations.
- k. The DMM applies to all Postal Service installations.
- l. Not applicable.

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DBP/USPS-78      In your response to DBP/USPS-34 subpart i, [a] explain why a mailer should be required to pay for a return receipt when it was not an independent proof of delivery but had been completed at a point after the time of delivery. [b] Clarify your response to subpart o. My interrogatory related to the fact that if I am often required to obtain a duplicate return receipt just to get the information that I was supposed to be provided with in the first place, would the service appear to be less valuable to me because of the inconvenience caused.

DBP/USPS-78 Response:

- a. DMM § 915.1.1 describes return receipt as a service that “provides a mailer with evidence of delivery”, which the customer would have received in this instance.
- b. By way of clarification, I believe you are using the word value where I would use the word satisfaction. To paraphrase, your interrogatory posed a hypothetical situation in which a customer has a negative experience with return receipt, and asked if that customer would then value the service less. In my view, and I attempted to convey this in my response, it would depend on the value that the hypothetical customer placed on the service prior to his/her negative experience. If the sender understood all of the terms and conditions that apply to return receipt service, and believed that there was some possibility that she/he would have to obtain a duplicate to receive the desired level of service, then the value that they perceive in return receipt service may be undiminished. In my opinion, the hypothetical customer would be unsatisfied with the outcome of the transaction, but this does not necessarily indicate that the customer values the service less. Hence my conditional response to your original interrogatory. Indeed the growth of



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return receipt volume over the last ten years, indicates that customers, in general, regard return receipt service as a very good value.

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DBP/USPS-83      Your response to DBP/USPS-53 subpart m, r, and s requires clarification. [a] If I were to compare two separate services and for each of the categories chosen to evaluate, one of the services was always equal to or better than the other service, why would a knowledgeable mailer choose to use the service which was always below or equal to the other service? [b] Please respond to my original subparts m, r, and s. [c] Subparts bb and cc refer to the rates being proposed in this Docket. The always be greater or equal refers to the price being proposed in this Docket. Please respond to the original interrogatories.

DBP/USPS-83 Response:

See hearing transcript 3/979-984.

- a. In this case I can not think of any reason, but this example is different from the example in DBP/USPS-53 subparts m, r, and s.
- b. I have no reason to change my responses; see transcript 3/979-984.
- c. Proposed rates for Priority and Express Mail are contained in the testimony of witness Sharkey. My understanding is that Express Mail provides a level of service that is at least equal to that of Priority Mail.

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DBP/USPS-85 In your response to DBP/USPS-62, you indicate the words "excluding contingency" a number of times. Explain the significance of that.

DBP/USPS-85 Response:

The revenue requirement that the Postal Service presented in Docket No. R97-1 contains a contingency equal to 1 percent of total test year costs to allow for unanticipated, extraordinary expenses. The unit cost estimates I provided were taken directly from special services cost studies and did not include this 1 percent contingency.

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DBP/USPS-29 [a] Confirm, or explain if you are unable to do so, that Section 822.112 of the Postal Operations Manual requires that the clearing clerk must evaluate all return receipts that have been turned in to ensure that they are properly completed. [b] Would it be reasonable to expect the clearing clerk to check to ensure that the Return Receipt has been properly signed? [c] Would it be reasonable to expect the clearing clerk to check to ensure that the Return Receipt has the name of the addressee printed in addition to the signature? [d] Would it be reasonable to expect the clearing clerk to check to ensure that the Return Receipt has the correct date of delivery entered on it? [e] If there are any instances where the return receipt is not given to the clearing clerk on the date of delivery, explain how the clearing clerk would be aware of the date of delivery? [f] Would it be reasonable to expect the clearing clerk to check to ensure that any requirements for restricted delivery have been complied with? [g] Would it be reasonable to expect the clearing clerk to check to ensure that any requirements for notifying the sender of a new address have been complied with? [h] Would it be reasonable to expect the clearing clerk to check to ensure that any requirements for notifying the sender that there is no new address [namely, the box has been checked to show this] have been complied with? [i] What corrective action should the clearing clerk take if in evaluating a return receipt it is noticed that 1. the card is not properly signed, 2. the name of the person signing has not been properly printed, 3. the correct date of delivery has not been shown, 4. the restricted delivery requirements have not been complied with, 5. a new address has not been provided when there is one, or 6. the box has not been checked when there is no new address. [j] Confirm, or explain if you are unable to do so, that all return receipts must be mailed [namely, placed into the mail stream for processing and transporting and delivery to the sender] no later than the first workday after delivery. [k] Explain why POM Section 822.112 does not require that the clearing clerk mail the return receipt card on the date of delivery rather than allowing it to be held until the next workday. [l] Confirm, or explain if you are unable to do so, that the requirements specified in subparts b through j will apply in all instances regardless of the type of addressee or the number of return receipts involved. [m] Confirm, or explain if you are unable to do so, that the clearing clerk referenced in POM Section 822.11 is an employee of the United States Postal Service.

DBP/USPS-29 Response:

- a. Not confirmed. POM § 822.112 states: "The clearing clerk must check all return receipts to make sure that they are properly signed and dated."
- b. In general, yes.
- c. This checking would go beyond what's required by POM § 822.112.
- d. In general, yes.

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- e. The clearing employee could be informed by the delivering employee in such cases.
- f. In general, yes.
- g. In general, this checking would go beyond what's required by POM § 822.112.
- h. In general, this checking would go beyond what's required by POM § 822.112.
- i. For subparts **1,2,3,5 and 6**, the clearing clerk should notify the delivering employee.  
For subpart **4**, as indicated in POM § 822.112, a corrected return receipt should be obtained from the addressee.
- j. Confirmed, based on POM § 822.112.
- k. In some cases, carriers may be cleared of their accountable items after the final dispatch of outgoing mail has left the delivery unit. In addition, the return receipt might require corrective action.
- l. Not confirmed. Please see my responses to parts b through j. The POM does not provide any special procedures for different types of addresses or different numbers of return receipts.
- m. Confirmed, to the best of my knowledge.

# DECLARATION

I, Michael K. Plunkett, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

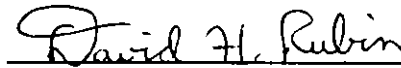


MICHAEL K. PLUNKETT

Dated: OCTOBER 21, 1997

## 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.

A handwritten signature in cursive script, reading "David H. Rubin", is written over a horizontal line.

David H. Rubin

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October 21, 1997