

DOCKET SECTION

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF UNITED PARCEL SERVICE
(UPS/USPS-41
AND UPS/USPS-T16-41 & 42 REDIRECTED FROM WITNESS HATFIELD)
AND MOTION FOR LATE ACCEPTANCE OF RESPONSE TO UPS/USPS-41

The United States Postal Service hereby provides responses to the following interrogatories of United Parcel Service: UPS/USPS-41, filed on October 7, 1997; and UPS/USPS-T16-41 & 42, filed on October 9, 1997, and redirected from witness Hatfield. The Postal Service moves that the response to UPS/USPS-41 be accepted two days late due to the need to coordinate these responses.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



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October 23, 1997

RESPONSE OF UNITED STATES POSTAL SERVICE TO UPS INTERROGATORIES

UPS/USPS-41. In your response to UPS/USPS-T37-58, you state that a mailer cannot designate an alternate entry point for DBMC Parcel Post mail. However, page 4 of Instruction DM-470-80-3, Mail Acceptance at Bulk Mail Center (supplied as an attachment to the Response to UPS/USPS-T28-35), contains the following statement with respect to Parcel Post mail: "Entry Post Office: Any post office in BMC area. All mail entered by a customer in a BMC in a day must have the same entry post office." Please explain the apparent discrepancy between your answer and DM-470-80-3.

Response:

The instruction referred to in this question is quite old and pre-dates the implementation of the Parcel Post DBMC rates. Further, there may be some confusion about the entry post office for DBMC mail for revenue accounting purposes and for the determination of zone for rate application purposes. For revenue accounting purposes, the origin of the DBMC mailing is the office where the postage is paid. However, for the determination of the zone, the origin of the mail is the DBMC or other facility where the mailing is physically entered. Therefore, there is no discrepancy between the instruction referred to in your question and the responses to UPS/USPS-T37-58 and UPS/USPS-T16-26.

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO INTERROGATORIES OF
UNITED PARCEL SERVICE REDIRECTED FROM WITNESS HATFIELD

UPS/USPS-T16-41. In your response to UPS/USPS-T16-26, you state that the "origin used to determine the GCD for DBMC pieces is the BMC or other facility where the pieces are dropshipped." However, page 4 of instruction DM-470-80-3, Mail Acceptance at Bulk Mail Center (supplied as an attachment to the Response to UPS/USPS-T28-35), contains the following statement with respect to Parcel Post mail: "Entry Post Offices: Any post office in the BMC area. All mail entered by a customer in a BMC in a day must have the same entry post office." Please explain the apparent discrepancy between your answer and DM-470-80-3.

RESPONSE:

Please refer to the response of the Postal Service to UPS/USPS-41.

RESPONSE OF UNITED STATES POSTAL SERVICE TO UPS INTERROGATORIES
REDIRECTED FROM POSTAL WITNESS HATFIELD

UPS/USPS-T16-42. Please refer to your response to UPS/USPS-T37-33, part (d).

- (a) Confirm that Parcel Post mail, eligible to receive the DSCF discount, that is dropshipped at a DSCF that is co-located with a DDU will receive the DDU Parcel Post discount for the portion of the mail shipment destinating to the DDU co-located with the DSCF. If not confirmed, please explain.
- (b) Confirm that 100 percent of Parcel Post mail that receives the DSCF Parcel Post discount (and not the DDU Parcel Post discount) will incur a transportation leg from the DSCF to the destination AO. If not confirmed, please explain.

Response:

(a) As was stated in the response of the Postal Service to UPS/USPS-T37-16:

"The qualifications and mail preparation requirements which will be applicable to these new categories, beyond those contained in the proposed DMCS provisions are still in the development stage and have not yet been produced or finalized." At this time, it is expected that if the mail in question is prepared as DDU mail and is dropped at the DDU, then it would receive the DDU discount.

(b) Yes, provided the mail in question is not entered at the co-located DDU.

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.



Scott L. Reiter

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