

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON DC 20268-0001

Postal Rate Commission
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Postal Rate and Fee Changes, 2006]

DOCKET NO. R2006-1

DAVID B. POPKIN MOTION TO COMPEL RESPONSE TO INTERROGATORIES DBP/USPS-
241 THROUGH 252

I move to compel responses to the interrogatories submitted to the United States Postal Service that have been objected to by them.

August 2, 2006

Respectfully submitted,

R20061MTC12A241252

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On July 10, 2006, I submitted Interrogatories DBP/USPS-241 through 252. On July 20, 2006, the Postal Service filed an objection to these interrogatories.

The interrogatories read as follows:

DBP/USPS-241 Please advise the minimum and maximum effective times for the following:

- [a] Temporary Change of Address Orders filed on or before August 2, 2006.
- [b] Temporary Change of Address Orders filed on or after August 3, 2006.
- [c] Hold Requests.

DBP/USPS-242 [a] Please define the action taken by the Postal Service with respect to each category or type of mail received while a temporary or permanent Change of Address Order is in effect.

[b] Please describe the procedures that are followed from the time the mail arrives at the delivery office until the time that it is forwarded on to the new address.

[c] Please advise the normal timeframe for the procedures described in response to subpart b to take place.

[d] What are the service standards for the procedures described in response to subpart b to take place?

[e] Once the mail is forwarded to the new address, please confirm, or explain if you are unable to confirm, that the Service Standards for that mail are the same as those for the same class of mail between the same points.

[f] Please discuss any automated systems that are in place to automatically intercept mail that requires forwarding and/or endorses it with the new address and/or forwards it on to the new address.

[g] Please advise the extent to which any systems noted in response to subpart f above have been implemented and the status and timeframe of any further implementation.

DBP/USPS-243 [a] Please enumerate any time period by which a Hold Request; a Temporary Change of Address Order filed on or before August 2, 2006; a Temporary Change of Address Order filed on or after August 3, 2006; or a Permanent Change of Address Order must be filed prior to the effective date.

[b] Please advise the time needed to process each of the requests.

[c] Please advise what happens to mail that is received prior to the time that the request has been processed.

DBP/USPS-244 [a] Once a customer has filed a Hold Request; a Temporary Change of Address Order filed on or before August 2, 2006; or a Temporary Change of Address Order filed on or after August 3, 2006; may they change either the effective date and/or the termination date?

[b] If not, why not?

[c] If so, please describe the methods by which it may be accomplished and which of the methods, if any, would require the payment of the \$1.00 credit card fee.

[d] If a credit card fee is not required for a method enumerated in response to subpart c, please explain why not.

[e] If a credit card fee is required for a method enumerated in response to subpart c, please confirm, or explain if you are unable to confirm, that it is for the same reason[s] as the original request required the fee.

DBP/USPS-245 With respect to the Interim Rule and Request for Comments that appeared in the July 7, 2006 Federal Register with respect to the Temporary Mail Forwarding Policy, please advise:

[a] Why the Rule is being implemented 4 days prior to the close of public comments rather than waiting for the comment period to conclude.

[b] For how long a time period has it been possible for a customer to have filed a Temporary Change of Address Order for a time period of less than 14 days? If that period has been 10 years or more, you may just state so.

[c] If the response to subpart b is 10 years or more, why is it so important to implement the change so fast?

[d] Please provide the reasons for changing the minimum effective time for a Temporary Change of Address Order from 1 day to 14 days.

[e] Please provide the reasons for changing the maximum effective time for a Temporary Change of Address Order from 1 year to 6 months.

[f] If one of the reasons for implementing the change for the maximum time to 6 months is to allow for a 6 month period for those temporary requests that do not show a termination date, why doesn't the rule change only apply to that and not to Temporary Change of Address Orders for which a termination date of between 6 and 12 months is provided?

[g] Please specifically describe how this change will reduce the amount of mail that may be delivered at a temporary address after the customer has returned to his or her permanent address.

DBP/USPS-246 If mail is being held in response to a Hold Request,

[a] Please explain what happens if it is not claimed by the end of the hold period.

[b] May a customer file a Change of Address Order to forward the mail that is presently being held?

DBP/USPS-247 Please describe any method by which a customer who has mail which is already in his or her post office box or which is being held in General Delivery retrieve that mail remotely by either filing a written request and/or transferring it to held mail and/or filing a Change of Address Order and/or establish Premium Forwarding Service and/or any other means.

DBP/USPS-248 [a] Are there any restrictions as to the resulting time periods to which the effective and/or termination dates can be changed to?

[b] If so, please enumerate.

[c] What happens if after August 3, 2006, a customer files a Temporary Change of Address Order for a one month period from September 1 to September 30, 2006 and on September 5 files a request to terminate that Order effective September 6, 2006?

[d] After August 3, 2006, a customer files a Temporary Change of Address Order for a six month period. How soon after it is filed may the customer file for another six month extension?

[e] Is a customer permitted to file a Temporary Change of Address Order effective on August 1, 2006 and terminating on Saturday, July 28, 2007?

[f] If not, why not?

[g] What happens if the customer described in subpart e above files another Temporary Change of Address effective on Monday, July 30, 2007, and terminating on July 7, 2008?

[h] Would your response to subpart g above be different if the address to which the customer is forwarding the mail to is different?

[i] Please explain and provide the regulatory authority for the responses to subparts g and h above.

DBP/USPS-249 Please advise the time frames that are observed when a customer files a Permanent Change of Address?

DBP/USPS-250 A customer files a Permanent Change of Address Order effective on September 1, 2006 for a move from Address A to Address B.

[a] What happens if on November 1, 2006, the customer moves from Address B to Address C. Is he or she able to file a Change of Address Order to cover this move?

[b] If not, why not?

[c] If he or she able to modify and/or cancel and reinstate the order existing at Address A so that the mail addressed to Address A can be forwarded directly to Address C rather than doing it in two separate steps - A to B and then B to C?

[d] If not why not?

[e] What happens if on November 1, 2006, the customer moves back to Address A with respect to their ability to receive mail at that address?

DBP/USPS-251 Assume that a customer "snowbirds" between New Jersey and Florida spending the summers in New Jersey and the winters in Florida and files a Temporary Change of Address with each move to cover each of the residence periods. Suppose that on one of these moves between Florida and New Jersey, the customer inadvertently checks the Permanent box rather than the Temporary box on the Change of Address Order.

[a] Will this interfere with their ability in the future to receive mail at the address at which they are residing as well as having mail addressed to the other address forwarded to their current residence address?

[b] If so, please explain what will happen and the regulatory authority for that action.

[c] If so, how does the customer fix the problem?

[d] If data is "in the system" which would preclude filing new Temporary Change of Address Orders, how long will it remain "in the system"?

DBP/USPS-252 Assume that a customer receives mail addressed to them at General Delivery at a specific post office.

[a] Suppose that the post office chosen has more than one facility [station or branch]. May the mail be addressed to and called for at any specific station or branch?

[b] If not, why not and how will the customer be aware of the specific station or branch that provides the service?

[c] Is the post office required to hold all mail received for a specific customer for a maximum of 30 days before returning it to the sender?

[d] If not, please explain the restriction.

[e] Please confirm, or explain and provide regulatory authority if you are unable to confirm, that a customer may continue to utilize General Delivery for an indefinite period of time so long as all mailpieces are claimed within a 30-day period.

[f] Is there any change in the requirements in permissible use of General Delivery service and or the time by which mail must be claimed if the customer is "forced" to utilize General Delivery because of the unavailability of Post Office Box service?

[g] If so, please explain.

The Postal Service objects to the interrogatories on the basis of relevance and the fact that they stem from the notice in the July 7, 2006, *Federal Register*. What triggered my submitting Interrogatories is irrelevant so long as they are submitted prior to the end of the discovery period as these Interrogatories were. If the Postal Service were to propose changing the regulations for Express Mail by publishing a notice in the *Federal Register*, would that similarly prohibit any discovery on the proposed change?

My main motivation in submitting these Interrogatories stems from footnote 72 in the Opinion and Recommended Decision in Rocket R2005-1.

That footnote states as follows:

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One of the methods that the Postal Service determines correct changes in addresses or forwarding addresses is by having customers fill out a change-of-address order to receive temporary or permanent forwarding of their mail. David B. Popkin takes issue with the Postal Service's handling of change-of-address orders. Currently, the Postal Service charges \$1 on a major credit card to process a change-of-address order by internet or phone, but does not charge any fees for filling out a PS Form 3575 and sending that form back to the post office. Mr. Popkin argues that because the \$1 fee does not appear in the DMCS, it is illegal and

should be suspended since it has not yet been presented to the Commission for a recommended decision. Popkin Brief at 1-2.

The Postal Service argues that the credit card companies do not verify identities for enhanced security and fraud prevention on changes of addresses for free; they require a minimum charge. Thus, because the charge is a result of a third-party requirement, it argues that the \$1 charge is not for a postal service within the meaning of Chapter 36 of the Act and is outside the scope of this proceeding. It notes that if customers wish to avoid this charge, they may mail the change-of-address order form to the Postal Service or complete the form at a retail outlet. Postal Service Reply Brief at 74-75.

Mr. Popkin raises valid concerns about the change-of-address order service that could result in a Commission recommendation for a classification change. However, given the unique circumstances of the settlement and the Postal Service's prediction of another omnibus rate case in the near future, the Commission does not believe that it is an appropriate time to recommend classification changes based upon Mr. Popkin's request. The Commission expects this issue to be raised again in the next omnibus rate case. In that next rate case, a more thorough discussion of the issues surrounding the change-of-address order fee will allow the Commission to consider the request and its implications before deciding whether to recommend changes to the DMCS based upon any change-of-address order fee.

Based on the Commission's statement in the last two sentences of the footnote, "The Commission expects this issue to be raised again in the next omnibus rate case. In that next rate case, a more thorough discussion of the issues surrounding the change-of-address order fee will allow the Commission to consider the request and its implications before deciding whether to recommend changes to the DMCS based upon any change-of-address order fee.", it would appear that since the current Docket R2006-1 is the next omnibus rate case that this is the time to conduct discovery on the propriety of the \$1 charge and the various criteria that are related to the change of address program.

In my initial round of discovery, I filed Interrogatory DBP/USPS-19 in an effort to determine whether the Postal Service followed the Opinion and Recommended Decision of the Commission to bring this matter up in Docket R2006-1.

The following is the interrogatory and response of the Postal Service:

DBP/USPS-19

In the Opinion and Recommended Decision for Docket R2005-1, the Commission stated in footnote 72 with respect to the \$1 charge that is being made for Change of Address requests that are made on the Internet that, "The Commission expects this issue to be raised again in

the next omnibus rate case." [a] Please advise the Rate Schedule and DMCS Section that contain this \$1 fee. [b] If it was not included, please provide the reasons for not doing so.

RESPONSE:

[a-b] The \$1 charge for Change of Address requests that are made on the Internet are not listed in the rate and fee schedules or the DMCS. When completing a change of address online or over the telephone, customers are asked to provide a credit card number. To enhance security and prevent fraudulent changes of address, this credit card number is checked against the credit card company's database to provide identity validation. The credit card companies do not perform this validation for free. They require a minimum charge on the credit card, imposed by the credit card company on the card holder. The dollar charge is a result of this thirdparty requirement, rather than a charge to be included in the rate and fee schedules or the DMCS.

The Postal Service did not explain why this \$1 fee was not included in the DMCS other than to state that it was a thirdparty requirement.

A dollar fee is a dollar fee. Just because it may be imposed by a credit card company to provide a service does not remove it from the Commission's authority and regulatory oversight. A similar example might be that the Postal Service has an agreement with Fedex to transport mail so the costs for Priority Mail transportation should not be subject to the Commission's authority and regulatory oversight. That is certainly not the case.

The Postal Service claims that these Interrogatories bear no relevance to the pending classification, rate, and fee proposals in this docket. The problem is, that based on footnote 72, they should have relevance to this docket. In any case they do have relevance to the value of service of all of the classes of mail that utilize the change of address program. For example, the costs of First-Class Mail have the costs of the change of address program built into them. The conditions under which the change of address program operates will affect the costs and therefore the costs of the underlying service.

The following comments apply to the specific comments made by the Postal Service:

DBP/USPS-241 Just because one might be able to interpret the response to subparts a and b and to a lesser extent, if at all, the response to subpart c by reading the Federal Register does not make the Interrogatory cumulative. If that were the case, any Interrogatory that covered a topic that was in the Domestic Mail Manual would be equally cumulative and could be objected to on that basis. Relevancy has been previously discussed.

DBP/USPS-242 Relevancy has been previously discussed.

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DBP/USPS-246 Relevancy has been previously discussed.

DBP/USPS-247 Relevancy has been previously discussed. The fact that the same question existed with Premium Forwarding Service is irrelevant.

DBP/USPS-248 Relevancy has been previously discussed. The term "restrictions" relates to any regulations or procedures the Postal Service may have which affect the ability of a customer to file a change of address order. The term "time periods" refers to the length of time that a change of address order would be in effect. The term "effective dates" refers to the starting date of a change of address order.

DBP/USPS-249 Relevancy has been previously discussed. With respect to vagueness, this Interrogatory is attempting to ascertain the difference between a temporary and a permanent change of address order as it relates to time periods such as how far before the effective date must the request be made.

DBP/USPS-250 Relevancy has been previously discussed.

DBP/USPS-251 Relevancy has been previously discussed. The purpose of this Interrogatory is to ascertain the extent to which filing a Permanent change of address order will have on the ability to subsequently file a Temporary change of address order. The fact that I have placed it in a scenario does not change the question but only should make it easier to understand.

DBP/USPS-252 Relevancy has been previously discussed.

For the reasons stated, I move to compel response to the referenced interrogatory since it is reasonably calculated to lead to the discovery of admissible evidence.

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.

David B. Popkin August 2, 2006
