

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORIES OF DAVID POPKIN  
(DBP/USPS-677 THROUGH 693)

The United States Postal Service hereby provides its institutional responses to interrogatories DBP/USPS-677 through 693, dated October 16, 2006. Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF DAVID POPKIN**

**DBP/USPS-677** Please refer to your responses to Interrogatories DBP/USPS-340 and 341 as revised on October 11, 2006. In the last sentence of the response to Interrogatory DBP/USPS-340, the Postal Service states that it is considering giving postage credit at the "forever value". In the response to Interrogatory DBP/USPS-341, the Postal Service states that the use of the stamp on other than one-ounce letters will be tolerated and the postage value will be at the prevailing rate for one-ounce letters. Please advise whether the Postal Service's current position is one of consideration as provided in the response to Interrogatory DBP/USPS-340 or is a positive statement as provided in the response to Interrogatory DBP/USPS-341.

**RESPONSE**

Rely on the "positive" statement.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF DAVID POPKIN**

**DBP/USPS-678** Please refer to your response to Interrogatory DBP/USPS-341 as revised on October 11, 2006. In the first sentence of the response, the Postal Service states that the use of the Forever Stamp is not meant to be "forever postage" and used on items other than one-ounce letters. In the response to Interrogatory DBP/USPS-353, the Postal Service stated that the Forever Stamp could very well become the "workhorse" stamp for the first ounce, single-piece First-Class Mail letter rate.

[a] Please confirm, or explain if you are unable to confirm, that with the current "workhorse" stamp, as well as with a number of previous "workhorse" stamps, that many individual mailers will use one or more copies of that stamp, to pay, overpay, or use with additional postage on most of their mail.

[b] Please discuss the apparent conflict between the responses to Interrogatories DBP/USPS-353 and 341.

**RESPONSE**

- (a) Confirmed. Many will all do so in connection with shortpaid mail.
- (b) The conflict is not readily apparent to the Postal Service.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF DAVID POPKIN**

**DBP/USPS-679** Please refer to your response to Interrogatory DBP/USPS-341 as revised on October 11, 2006.

In the second sentence of the response, the Postal Service states that the use of the Forever Stamp will be tolerated if used for other than on one-ounce letters.

[a] Please define the word tolerated as used in the context of the response.

[b] Please advise how the concept of toleration of the use of Forever Stamps for other than its primary use will manifest itself in publicity and other action.

[c] Please advise if the publicity for the Forever Stamp will be limited to stating that it may be used for the postage on a one-ounce, single piece First-Class letter rate.

[d] Please advise if the publicity for the Forever Stamp will state or imply that it may only be used for the postage on other than a one-ounce, single piece First-Class letter rate.

[e] Please advise if the publicity for the Forever Stamp will state that it may be used for the postage on other than a one-ounce, single piece First-Class letter rate [i.e. for any use that may be made of other postage stamps].

[f] Please advise if the publicity for the Forever Stamp will state that it may not be used for the postage on other than a one-ounce, single piece First-Class letter rate.

**RESPONSE**

(a) It is used in the commonly accepted sense of the word.

(b-f) The content of publicity materials is finalized at a time when it is known what the Governors have decided and what rates and classifications will be implemented. It can be expected that these materials will concisely convey information that the Postal Service considers appropriate and necessary. It is much too early to speculate about the content of such materials.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF DAVID POPKIN**

**DBP/USPS-680** Please refer to your response to Interrogatory DBP/USPS-340 as revised on October 11, 2006. For purposes of the response to this Interrogatory, assume the following:

A1. The wording of the DMCS as it relates to the Forever Stamp and as presently proposed is approved by the Commission and the Board of Governors

A2. The Postal Service adopts the DMM regulations as presently proposed which will allow the Forever Stamp to be utilized for all purposes for which postage stamps may be utilized and at its "forever value".

Now assume that at some point in the future, the Postal Service wishes to change the DMM regulations to make one or more of the following changes:

B1. Allow the Forever Stamp to be utilized for all purposes for which postage stamps may be utilized at a value other than the "forever value" such as the value at which the stamp was purchased.

B2. Restrict the use of the Forever Stamp to its intended purpose of a one-ounce, single piece First-Class letter,

B3. Restrict the use of the Forever Stamp so that it may not be utilized for all purposes for which postage stamps may be utilized.

[a] Does the Postal Service believe the wording in the DMCS as noted in item A1 above would restrict them from making any of the changes as noted in items B1 through B3 above?

[b] Does the Postal Service believe that if it wished to make any of the changes as noted in items B1 through B3 above it would have to change the wording of the DMCS as noted in item A1 above which would require litigation before the Commission as would any other change to the DMCS?

[c] Please fully discuss your responses and provide an explanation if your responses to subparts a and b above are not an unqualified yes to both of them.

**RESPONSE**

(a-c) Requests for declarations of whether or not the Postal Service considers any of these propositions to be the case, or what it believes it would be legally required to do one thing or another under different circumstances, appear to call for the statement of legal interpretations and conclusions, something that the Postal Service considers that it is not required to provide in response to discovery. It is the Postal Service's intent to adopt language in the DMM that reflects the intended and tolerated uses of the Forever Stamp, irrespective of whether all such uses remain unchanged and/or are specifically addressed in the DMCS.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF DAVID POPKIN**

**DBP/USPS-681** Please refer to your response to Interrogatory DBP/USPS-641. The response that was given to Interrogatory DBP/USPS-641 stated that the Postal Service is not able to confirm that some individual DPS mail may occur at a delivery unit before the carrier goes out on their route. I realize that some of the mailpieces may be observed individually while in the office, however, each and every individual mailpiece will not be likely to be observed until the carrier is out on the delivery route. Please respond to that condition.

**RESPONSE**

In response to DBP/USPS-641, the Postal Service stated that it could not confirm that all individual piece observations occurred *after* the carrier departed the office to begin delivery. Each and every piece can be “observed individually” *before and after* the carrier hits the street. The specificity of these “in-office” and “street” observations can also vary. Pieces that are not entered at a window and/or sorted manually before hitting the street are more likely to receive their initial or their highest degree of human postal employee visual scrutiny on the street.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF DAVID POPKIN**

**DBP/USPS-682** Please refer to your response to Interrogatory DBP/USPS-642 subpart c. Please confirm, or explain if you are unable to confirm, that the Governors would not be able to unilaterally implement Certified Mail for use with Express Mail, Periodicals, Standard Mail, or Package Services without obtaining a modification of the DMCS after receiving Commission approval.

**RESPONSE**

Not confirmed. Under 39 U.S.C. § 3625(d), modification could occur despite a recommendation by the Commission against such a proposed change.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF DAVID POPKIN**

**DBP/USPS-683** Please refer to your response to Interrogatory DBP/USPS-643.

[a] Please confirm, or explain if you are unable to confirm, that the material that is contained in the Domestic Mail Manual, the companion DMM Quick Service Guide, and the Customer's Guide to Mailing [Domestic Mail Manual 100 Series] will supplement and implement the criteria contained in the DMCS, however, that material may not be inconsistent with the criteria contained in the DMCS.

[b] Please respond to the original Interrogatory DBP/USPS-643.

**RESPONSE**

(a) Such materials should not and are not intended to contradict the DMCS.

(b) The question was answered.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF DAVID POPKIN**

**DBP/USPS-684** Please refer to your response to Interrogatory DBP/USPS-646. While the implementation process may be ongoing, Interrogatory DBP/USPS-646 asked whether the response to subpart b of Interrogatory DBP/USPS-510 is still the current status of the Postal Service's Forever Stamp implementation plan. Please advise whether it is.

**RESPONSE**

It should read: Another possible interpretation, which would be the correct one, is that the Forever Stamp is intended for use on single-piece First-Class Mail one-ounce letters. This excludes the first-ounce rate component of letters weighing more than one ounce. However, as acknowledged in the response to DBP/USPS-340, some mailers will at times use the Forever Stamp for an unintended purpose, whether a First-Class Mail flat or parcel, a First-Class Mail letter weighing more than one ounce, or another mail class altogether. The Postal Service intends to give ~~is considering giving~~ postage credit for such uses at the original purchase price, ~~but a final determination has not yet been made~~. During the Forever Stamp's first rate cycle, from the time of its proposed inception when Docket No. R2006-1 rates are implemented, until rates are once again changed, there will be no difference between the stamp's value (proposed at 42 cents) and its purchase price (proposed at 42 cents). Therefore, how to value unintended postage uses will not be a (financial) issue. During the first rate cycle, the Postal Service will observe use of the Forever Stamp and examine the consequences of a ~~develop a~~ policy of tolerance for unintended postage uses, which will become a financial issue in subsequent rate cycles (when the stamp's value may exceed its original purchase price).

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
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**DBP/USPS-685** Please refer to your response to Interrogatory DBP/USPS-647. Please confirm, or explain if you are unable to confirm, that any use of the Forever Stamp, whether it is the intended use or a tolerated use, must be one that is authorized by the DMCS.

**RESPONSE**

It must not be inconsistent with what is intended by the DMCS, as faithfully implemented by the DMM, irrespective of whether every conceivable use is specifically addressed by the DMCS.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF DAVID POPKIN**

**DBP/USPS-686** Please refer to your response to Interrogatory DBP/USPS-647. Please confirm, or explain if you are unable to confirm, that the Postal Service may not tolerate a procedure or policy which is not consistent with the DMCS.

**RESPONSE**

See the response to DBP/USPS-685.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF DAVID POPKIN**

**DBP/USPS-687** Please refer to your response to Interrogatory DBP/USPS-657. Your response indicates that the Postal Service has moved beyond considering giving postage credit for such uses [i.e. ones that are being characterized as tolerated uses, namely, ones that are being utilized for any purpose for which postage stamps may be utilized] and now intends to give such credit. Please clarify since current responses such as the October 11th revision of the response to Interrogatory DBP/USPS-340 as well as numerous other responses which still utilize the contemplation of considering.

**RESPONSE**

When in doubt, refer to the revised response to DBP/USPS-341 and to the response to DBP/USPS-684.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF DAVID POPKIN**

**DBP/USPS-688** Please refer to your response to Interrogatory DBP/USPS-657. Your response indicates that the Postal Service has moved beyond considering giving postage credit for such uses [i.e. ones that are being characterized as tolerated uses, namely, ones that are being utilized for any purpose for which postage stamps may be utilized] and now intends to give such credit. Please advise the reasons behind making this change in policy.

**RESPONSE**

As is often the case in the Postal Service, the proposed policy evolved as a wider circle of internal stakeholders participated in its development.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF DAVID POPKIN**

**DBP/USPS-689** Please refer to your response to Interrogatory DBP/USPS-658.

[a] Please confirm, or explain if you are unable to confirm, that the myriad rate and classification implementation details that are contained in the Domestic Mail Manual, the companion DMM Quick Service Guide, and the Customer's Guide to Mailing [Domestic Mail Manual 100 Series] may only supplement and implement the criteria contained in the DMCS, however, that material may not be inconsistent with the criteria contained in the DMCS. [b] Please respond to the original Interrogatory DBP/USPS-658.

**RESPONSE**

- (a) Those publications may not contain provisions inconsistent with what is intended by the DMCS, irrespective of whether every conceivable intent is specifically addressed by the DMCS. It is not uncommon for some of the underlying basis for a DMCS provision to be referenced in a recommended decision of the Commission or a decision of the Governors, and for detailed information consistent with those decisions to be reflected in the DMM, but not the DMCS.
- (b) The Postal Service responded to the original question.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
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**DBP/USPS-690** Please refer to your response to Interrogatory DBP/USPS-663. Please provide information on any additional guidelines that are contained in the template Notice 3-A that do more than just provide a clearer formatting of the DMM requirements. I also realize that the template also provides a convenient way to measure the mailpieces.

**RESPONSE**

Rather than waste additional time and resources in response to a quest for clarification of something that it did not say, the Postal Service can do nothing more at this point than refer you to its earlier responses.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
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**DBP/USPS-691** Please refer to your response to Interrogatory DBP/USPS-664.

I realize that there are many criteria of a mailpiece which would cause implementation of the nonmachinable surcharge and that they operate independently. Please confirm, or explain if you are unable to confirm, that if I have a mailpiece that has only one of the nonmachinable criteria, namely, the envelope has a metal clasp, and if I place a piece of tape over the clasp so that there will no longer be an ability for the clasp to catch on something else during processing, that the mailpiece will no longer require payment of the nonmachinable surcharge.

**RESPONSE**

That is possible. However, the determination of whether that is the case in any particular instance would require an examination of an actual piece by an expert mail acceptance employee.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
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**DBP/USPS-692** Please refer to your response to Interrogatory DBP/USPS-665. The Postal Service should have a very strong understanding of the relevance of this line of questioning. They are proposing three separate rates for First-Class Mail based on the shape of the mailpiece, namely, whether the mailpiece is a letter vs. a flat vs. a parcel. In order to determine which of the three separate rates to apply to a specific mailpiece, the mailer and the Postal Service must not only measure the length and height of the mailpiece which probably can be done fairly easily and accurately but they also must measure the thickness of the mailpiece to determine whether it is less than 0.25 inches, between 0.25 and 0.75 inches, or over 0.75 inches. While the measurement of the thickness of a box may be accomplished fairly easily, the measurement of the thickness of an envelope raises a number of difficulties including, but not limited to, the compressibility of the mailpiece and the need to make an indirect measurement by sighting along the envelope and dealing with the inherent parallax associated with that type of measurement. Please respond to the original Interrogatory DBP/USPS-665.

**RESPONSE**

The Postal Service responded to the original interrogatory.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
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**DBP/USPS-693** Please refer to your response to Interrogatory DBP/USPS-666.

[a] At this point in time, does the Postal Service have any plans to provide retail window clerks with any other tools to determine the appropriate proposed First-Class Mail rate other than the Notice 3-A template, a ruler, and a scale.

[b] If none, so state. If so, please identify.

**RESPONSE**

The Postal Service is reviewing what its Docket No. R2006-1 implementation needs may be. At a time appropriate to meet its future needs, it will decide whether to procure and disseminate any necessary tools not already in widespread use.