

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

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POSTAL RATE AND FEE CHANGES, 2006

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Docket No. R2006-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MITCHUM  
TO INTERROGATORIES OF DOUGLAS F. CARLSON  
(DFC/USPS-T40-1-3, 5-7)  
(June 16, 2006)

The United States Postal Service hereby provides the responses of witness Mitchum to the above listed interrogatories of Douglas F. Carlson, filed on June 2, 2006. Interrogatory DFC/USPS-T40-4 has been redirected to witness Milanovic.

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 POSTAL SERVICE WITNESS MITCHUM  
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**DFC/USPS-T40-1.** Please explain why your proposal to raise the minimum fee from \$2,000 to \$5,000 for a low-volume customer who wants to use Confirm service would be fair.

**RESPONSE:**

The effective annual price under the \$2,000 quarterly price is actually \$8,000, so the new annual price of \$5,000 is actually a reduction rather than the increase stated in the question. In practice many of the “Silver” level subscribers renew their subscriptions each quarter and are paying \$8,000.

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**DFC/USPS-T40-2.** Please confirm that your proposal for Confirm fees reflects a decision by the Postal Service not to make Confirm readily available or accessible to individual postal customers who are not businesses. If you do not confirm, please explain.

**RESPONSE:**

Not confirmed. There has been no decision made regarding how to offer Confirm service on an individual basis. My testimony merely re-aligns the prices for the existing Confirm product.

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**DFC/USPS-T40-3.** Please provide the percentage of customers who purchase insurance who also purchase Delivery Confirmation for the same item.

**RESPONSE:**

According to POS data from December 2003 and June 2004, the most recent data available at the time of my analysis, 17 percent of items mailed with insurance also had Delivery Confirmation.

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**DFC/USPS-T40-5.** Please confirm that postal employees have access to the date and time of delivery of insured items, and yet the Postal Service does not provide this information to the public. If you do not confirm, please explain.

**RESPONSE:**

Not confirmed. Postal employees do not have access to the date and time of delivery of unnumbered insured items, as these data are not collected. In the case of numbered insured items the Postal Service does keep records of date and time of delivery, and this information can be accessed by postal employees. Customers can obtain the date and time of delivery of numbered insured items, as well as the recipient's signature, by purchasing return receipt service or Signature Confirmation.

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**DFC/USPS-T40-6.** Please refer to your testimony at page 26, lines 21–24.  
Please define “General Insurance.”

**RESPONSE:**

General Insurance, as distinguished from Express Mail Insurance, is defined in  
DMCS 943.21.

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**DFC/USPS-T40-7.** Please refer to your testimony at page 26, lines 21–24. Please confirm that a record showing the date and time of delivery will, in fact, be retained by the Postal Service for all insured items, including those valued under \$200. If you do not confirm, please explain.

**RESPONSE:**

Confirmed. A data record will be retained for all pieces delivered, but a record of delivery, which includes a signature, will only be retained for those pieces insured in excess of \$200, as only these pieces will receive a signature at the time of delivery.