

Before The
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

Postal Rate and Fee Changes, 2006)

Docket No. R2006-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS DREW MITCHUM (OCA/USPS-T40-52-60)
(July 10, 2006)

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-T32-1-7, dated June 2, 2006, are hereby incorporated by reference.

Respectfully submitted,

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OCA/USPS-T40-52. This interrogatory seeks to clarify the value of Confirm service to the Postal Service. Please refer to your testimony at page 14, lines 22-23.

- a. Please confirm that the data generated by mailpieces entered with PLANET Codes also has important information value to the Postal Service. If you do not confirm, please explain.
- b. Please confirm that the data generated by mailpieces entered with PLANET Codes provides the Postal Service with information on mail flows during processing, permitting evaluation and improvements of its mail processing operations. If you do not confirm, please explain.
- c. Please confirm that on balance, the larger the number of mailpieces entered with PLANET Codes, the greater the information value to the Postal Service on the performance of its mail processing operations. If you do not confirm, please explain.

OCA/USPS-T40-53. This interrogatory seeks to clarify the value of Confirm service to the Postal Service. Please refer to your testimony at page 14, lines 22-23. Please confirm that mailpieces entered with PLANET Codes are essential for future Postal Service programs, including seamless verification, postage accountability, and validation and improvement of address quality. If you do not confirm, please explain.

OCA/USPS-T40-54. This interrogatory seeks information on the development of volumes for Confirm service. Please refer to USPS-LR-L-124, the spreadsheet "REV-USPS-LR-L-124_7-3-06.XLS," and worksheet tab "W-P 4 Confirm." Also please refer to your response to POIR NO. 4, Question 3, and the attachment thereto, which provides

“*an example* showing the derivation of the TYAR volume for a hypothetical subscriber.”

(Emphasis added)

- a. In worksheet tab “W-P 4 Confirm,” refer to column (3), “After Rates” (Volumes), and the rows “1st through 9th,” “10th through 89th,” and “90th and more.” Based upon your example showing the development of volumes in POIR No. 4, Question 3, please generalize your example (without revealing any subscriber’s proprietary data) and show the development of “After Rates” volumes for each of the “Blocks of Units” (i.e., 1st through 9th,” “10th through 89th,” and “90th and more”) shown in worksheet tab “W-P 4 Confirm.”
- b. In worksheet tab “W-P 4 Confirm,” refer to column (3), “After Rates” (Volumes), and the rows “1st through 9th,” “10th through 89th,” and “90th and more.” Please provide the estimated number of scans for each of the “Blocks of Units” (i.e., 1st through 9th,” “10th through 89th,” and “90th and more”) separately for First-Class Mail and Other.

OCA/USPS-T40-55. This interrogatory seeks information on the development of volumes for Confirm service. Please refer to your response to POIR NO. 4, Question 3, and the attachment thereto.

- a. Refer to part 2 of your response. Please explain the basis for the 10 percent decrease in total scans based upon your proposed increase in prices for Confirm service.
- b. Refer to part 2 of your response. Is the 10 percent decrease in total scans based upon your proposed increase in prices for Confirm service proportional for First-Class Mail scans as compared to Other scans? Please explain.

- c. Refer to part 4 of your response. Please explain the basis for the 55 percent and 45 percent split between First-Class Mail and Other, respectively.

OCA/USPS-T40-56. This interrogatory seeks to determine the impact of the proposed fee schedule on Confirm subscribers. Please refer to your response to OCA/USPS-T40-17(a), where it states, "individual subscribers have purchased four sequential subscriptions, a new one each quarter."

- a. For Fiscal Years 2003, 2004 and 2005, please provide a table showing the number of individual Silver subscribers that purchased 1 quarterly subscription, 2 sequential quarterly subscriptions, 3 sequential quarterly subscriptions, and 4 sequential quarterly subscriptions.
- b. Please confirm that of the current 16 Silver subscribers that purchased 1 quarterly subscription or 2 sequential quarterly subscriptions, those subscribers will pay higher total fees (i.e., user fee plus fees for blocks of units) in the TYAR under your proposed fee schedule than they did in FY 2005. If you do not confirm, please explain.

OCA/USPS-T40-57. This interrogatory seeks to determine the impact of the proposed fee schedule on Confirm subscribers. Please refer to your response to OCA/USPS-T40-19(a), where it states, "the total expenditure will depend upon usage." Assume the following: All 45 current subscribers to the Platinum service use the same number of First Class Mail and Other scans in the TYAR as they did in FY 2005. Notwithstanding your response to OCA/USPS-T40-19(a), assuming the same usage as in FY 2005, please confirm that all 45 subscribers to Platinum service will pay higher total fees (i.e., user fee plus fees for blocks of units) under your proposed fee schedule than in FY

2005. If you do not confirm, please explain and state how many subscribers under this assumption would pay higher fees. Also, show all calculations, and provide citations to all sources used.

OCA/USPS-T40-58. This interrogatory seeks to determine the impact of the proposed fee schedule on Confirm subscribers. Please refer to your response to OCA/USPS-T40-24(b)-(c). For Fiscal Years 2003, 2004 and 2005, for Destination and Origin services, and First-Class and Other mailpieces, please provide the average number of scans for each of these separate types of Confirm mailpieces. If you are unable to provide this data for the 4th quarter (July, August and September, 2005) of FY 2005, please explain.

OCA/USPS-T40-59. This interrogatory seeks information about the use of Confirm service in association with vote-by-mail programs and absentee ballots.

- a. Has the Postal Service used PLANET Codes to evaluate service performance for vote by mail programs or absentee ballots for elections to state or local office? Please explain, and identify the elections where PLANET Codes were used, and discuss the service performance achieved.
- b. Is the Postal Service aware of state or local governments that have used Confirm service to evaluate service performance for vote-by-mail programs or absentee ballots for elections to state or local office? Please explain, and identify the elections where Confirm service was used, and discuss the service performance achieved.
- c. In the mayoral election for New Orleans on April 22, 2006, to measure recovery of service performance after a disaster, did the Postal Service use Confirm

service to evaluate service performance for absentee ballots in that mayoral election? Please explain, and discuss the service performance achieved.

OCA/USPS-T40-60. This interrogatory seeks information on the use of PLANET Codes to evaluate service performance. Please refer to the Office of Inspector General (OIG) Report No. DR-MA 06-001, concerning allegations of delayed mail in Las Cruces, New Mexico, and the Appendix to that report, which contains "Management's Comments." Bullet five of Management's Comments states, "Planet code testing began on December 28, 2005 to provide an analysis and to track failures, trends and problem areas."

- a. Please describe and explain the PLANET Code testing that began on December 28, 2005.
- b. Please explain the results of the PLANET Code testing to date "to track failures, trends and problem areas."