

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

EVOLUTIONARY NETWORK DEVELOPMENT  
SERVICE CHANGES, 2006

Docket No. N2006-1

REVISED RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS SHAH  
TO VALPAK INTERROGATORIES (VP/USPS-T1-6(b), 9(c)(ii) and 12(c))  
(July 10, 2006) [ERRATA]

The United States Postal Service hereby submits the revised responses of witness Shah to the following interrogatories of Valpak: VP/USPS-T1-6(b), 9(c)(ii) and 12(c). These revisions correct minor typographical errors in each of the original responses filed on April 25, 2006. There are no substantive changes. These revised responses supersede the original responses. Each interrogatory is stated verbatim and followed by revised responses that contain minor typographical corrections to the subparts identified above.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux  
Chief Counsel, Ratemaking

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Michael T. Tidwell

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2998; Fax -5402  
michael.t.tidwell@usps.gov

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SHAH  
TO INTERROGATORY OF VALPAK**

Revised: July 10, 2006

**VP/USPS-T1-6.**

Please refer to your testimony at page 13, lines 3-4, where you discuss “the preservation of current service standard definitions.”

(a) Please define the following service-related terms as they are currently used by the Postal Service and, if they are not synonymous, explain all critical differences between them:

- i. service standard
- ii. service commitment
- iii. service guarantee
- iv. service objectives (see DMM Section 243.3.1.1)

(b) Please identify and define any other service-related term currently used by the Postal Service.

(c) Please identify which of the above service-related terms are explicitly incorporated in (i) the END optimization models, and (ii) the END simulation models discussed in your testimony.

**RESPONSE:**

(a)(i) Please review the definition of “service standard” already provided in USPS Library Reference N2006-1/1, at (hard copy) page 107.

(ii) In light of PRC Op. C98-1, postal policy is to regard those “service standards” with service guarantees as “service commitments.”

(iii) A “service guarantee” is an explicit promise to refund postage in the event of a failure to meet an applicable service commitment.

(iv) As is the case in the referenced DMM section, the term “service objective” is a commonly used synonym for “service standard.”

(b) Other terms that are commonly used in lieu of “service standards” include: “service expectations” and “delivery standards.” There is no postal catalogue listing every commonly used synonym. Notwithstanding the response to subpart (a)(ii), many postal employees find it difficult to break

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**RESPONSE to VP/USPS-T1-6 (continued):**

the habit of using such terms as “delivery commitments” or “service commitments” in references to mail classes other than Express Mail.

- (c) Service standards.

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**VP/USPS-T1-9.**

- (a) Please confirm that the Postal Service's former *Glossary of Postal Terms* (dated January 1981) defines service standards as "Commitments on dependability and timeliness of mail service that the public can expect for each class of mail."
- (b) Please confirm that the Postal Service's **current** *Glossary of Postal Terms* (<http://www.usps.com/cpim/ftp/pubs/pub32.pdf>) defines **service standard** as "A stated goal for service achievement for each mail class."
- (c) Please explain:
  - (i) the difference between the two definitions set out in preceding parts a and b, and
  - (ii) how the current definition applies to (or is used in) the END models and the AMP process with respect to First-Class and Standard Mail. In particular, please explain whether service standards for First-Class and Standard mail are incorporated in the objective functions, or included in the models as variables or constraints.

**RESPONSE:**

- (a) Confirmed.
- (b) Confirmed. See USPS Library Reference N2006-1/1, at (hard copy) page 107.
- (c)(i) The latter is current. The former is obsolete.
- (ii) The END models use service standards as a constraint against which the model evaluates a given network's performance.

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**VP/USPS-T1-12.**

- (a) Please confirm that a previous version of the DMM in a section called **service objectives**, denied the existence of any **service guarantee** for Standard Mail.  
The USPS does **not guarantee** the delivery of Standard Mail within a specified time. Standard Mail might receive deferred service. Local postmasters can provide more information. [DMM, Edition 58, August 10, 2003, Section D600.1.0.]
- (b) Please confirm that the current DMM, in a section called **service objectives**, denies the existence of any **service guarantee** for Standard Mail.  
Standard Mail may receive deferred handling. **Service objectives** for delivery are 2 to 9 days; however, delivery time is **not guaranteed**. [DMM, January 6, 2005, Section 243.3.1.1 (emphasis added)]
- (c) Please explain the intention and effect of the change to the language now in DMM Section 243.3.1.1, from the previous version.
- (d) What sort of service-related information did or will local postmasters provide mailers about Standard Mail service, if they are asked?

**RESPONSE:**

- (a) Confirmed.
- (b) Confirmed, but the service standard range should have been listed as 3-10 days.
- (c) This is well beyond the scope of my testimony, but I am informed that an effort has been made to be more informative. The content of most of former section 243.3.1.1 has been moved to new section 243.3.1.3. Information in former section 243.3.1.1 has been replaced with more detailed information in new sections 243.3.1.1 and 243.3.1.2.
- (d) I am informed that such inquiries would be answered on a case-by-case basis, depending on the particular questions asked.