

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

Premium Forwarding Service

)

Docket No. MC2007-3

OFFICE OF THE CONSUMER ADVOCATE  
INTERROGATORIES TO  
UNITED STATES POSTAL SERVICE WITNESS GREGORY DAWSON  
(OCA/USPS -T3-1-6)  
(August 10, 2007)

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-T1-1-6, dated August 10, 2007, are hereby incorporated by reference.

Respectfully submitted,

Kenneth E. Richardson  
Acting Director  
Office of the Consumer Advocate

901 New York Avenue, NW Suite 200  
Washington, DC 20268-0001  
(202) 789-6830; Fax (202) 789-6891  
e-mail: richardsonk@prc.gov

OCA/USPS-T3-1. Please confirm that the existing Premium Forwarding Service (PFS) weekly reshipment fee is \$2.85 plus the Priority Mail fee of \$9.10 which is equal to the postage for a 3 pound, zone 6 Priority Mail parcel, or a total of \$11.95. If you are unable to confirm, please explain.

OCA/USPS-T3-2. Please confirm that your proposal for a PFS weekly reshipment fee of \$11.95 is the same as the fee currently charged a PFS customer. If you are unable to confirm, please explain.

OCA/USPS-T3-3. Attachment 1 to your testimony indicates that the average weight of a PFS parcel for FY 2006 was 5.301 pounds.

- a. Please confirm that for mailing purposes, 5.301 pounds would qualify for the 6 pound Priority Mail rate.
- b. Please confirm that the Experimental PFS rate proposal recommended in Docket No. MC2005-1 was based upon the estimated average weight and zone of a PFS parcel of 3 pounds mailed to zone 6. If you are unable to confirm, please show the derivation of all calculated values and cite all sources relied upon.
- c. Please confirm that using the former Experimental PFS pricing methodology and applying the FY 2006 average parcel weight, of 5.301 pounds destinating at zone 6, would result in a Priority Mail parcel rate of \$13.10. If you are unable to confirm, please show the derivation of all calculated values and cite all sources relied upon.
- d. Please confirm that if you added the \$13.10 fee referenced in part c of this interrogatory to the current flat PFS weekly Priority Mail postage reshipment fee

of \$2.85, the result would be a total fee of \$15.95. If you are unable to confirm, please show the derivation of all calculated values and cite all sources relied upon.

OCA/USPS-T3-4. Please explain why you believe that your pricing rationale that does not rely upon the expected weight of reshipped parcels for the Premium Forwarding Service (PFS) is superior to that presented by USPS witness Koroma in the USPS Docket No. R2005-1 proposal.

OCA/USPS-T3-5. The following interrogatory refers to your testimony, Attachment 1.

a. Please confirm that in footnote 12 you applied the Priority Mail Cost Coverage of 149.98 percent (rounded) to the “average cost per parcel” of \$4.575 to calculate a PFS marked up average cost per parcel rate which you then divided by the per piece parcel cost. If you are unable to confirm, please show the derivation of all calculated values and cite all sources relied upon.

b. Please explain why you did not apply the same cost coverage, 149.98 percent (rounded), to the “per shipment cost” of \$4.076, to calculate a PFS per-shipment rate.

OCA/USPS-T3-6. On page 3 of Attachment 3 of your testimony, you provide survey results for Premium Forwarding Service.

a. You indicate that 126 offices were surveyed. For the time period associated with the survey of the 126 offices, please indicate the total number of offices offering PFS and whether a selection of a total number of 126 offices provides a statistically accurate

survey result in terms of the total number of offices surveyed. Please provide calculations and statistical backup, as appropriate.

b. You indicate that a total of 421 PFS customers were surveyed. For the time period associated with the survey of the 421 customers, please provide the total number of customers that used PFS and whether the survey of 421 customers provides a statistically accurate survey result in terms of the total number of customers surveyed. Please provide calculations and statistical backup, as appropriate.