

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

REPOSITIONABLE NOTES PROVISIONAL SERVICE

Docket No. MC2004-5

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS HOLLAND
TO INTERROGATORIES OF THE DIRECT MARKETING ASSOCIATION
(DMA/USPS-T1-1-2)

Pursuant to Order No. 1420, the United States Postal Service hereby provides the responses of witness Holland to the following interrogatories of the Direct Marketing Association: DMA/USPS-T1-1-2.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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October 8, 2004

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS HOLLAND
TO INTERROGATORIES OF THE NATIONAL NEWSPAPER ASSOCIATION

DMA/USPS-T1-1 Your data collection plan is described at pages 6-7 of your testimony. Concerning costing issues, you state that "Operations will be asked to report processing or delivery problems to postal headquarters."

(a) Is it correct to assume that these reports will be qualitative in nature and that by themselves they would not permit the Postal Service to calculate RPN unit costs for any mail class, subclass or rate element? Please explain any "no" answer as completely as possible.

(b) Other than the reports referred to above, does the Postal Service have any plan to collect data that would permit the calculation of RPN unit costs for any mail class, subclass or rate element? Please explain as completely as possible.

RESPONSE:

(a) Yes.

(b) Not at this time. If these reports indicate that there may be costs that need to be studied, a decision whether to do a cost study and how to do it would be made at that time.

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DMA/USPS-T1-2. On page 6, line 12 of your testimony, you refer to the “contours” of a permanent RPN service. Please describe, in as much detail as possible, what you mean by “contours.” Please give as many examples as possible of the various “contours” that might be implemented depending on the results of the market test you envision. What data or other information does the Postal Service plan to collect to help it make decisions concerning these various “contours.”

RESPONSE:

By “contours” I was simply referring to the basic features of this service as proposed: its price and availability. For instance, if the test shows that there is no or virtually no volume from a particular category of mail, we would need to consider what the reasons for that were in order to decide what to do next. If, as a result of those considerations, we decided to seek changes in price or availability, those proposals would be explained as part of the Postal Service’s request for a recommended decision from the Commission.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

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