

ORIGINAL

BEFORE THE RECEIVED
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20680-0001
SEP 20 11 27 AM '96

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

SPECIAL SERVICES REFORM, 1996

Docket No. MC96-3

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF NASHUA/MYSTIC
(NM/USPS-67(b), 70, 72)

The United States Postal Service hereby provides responses to the following interrogatories of Nashua/Mystic filed on September 6, 1996: NM/USPS-67(b), 70, and 72. Each interrogatory is stated verbatim and is followed by the response.

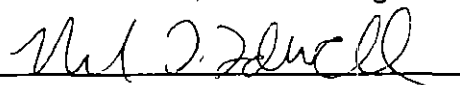
Objections to NM/USPS-66, 67(a)&(c), 68, 69, and 71 were filed on September 16, 1996.

Respectfully submitted,

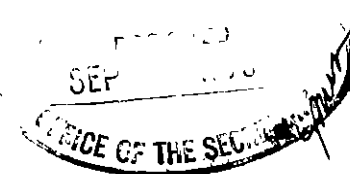
UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


Michael T. Tidwell

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2998; FAX -5402
September 20, 1996



RESPONSES OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF NASHUA/MYSTIC

NM/USPS-67.

The response to interrogatory NM/USPS-30 stated that "[t]he Postal Service has not performed an operation survey which would permit it to respond to these interrogatories." Nevertheless, the interrogatory seeks information that would appear to be presently in the possession of the Postal Service, with no need for any kind of survey in order to provide the information sought by the interrogatories.

(a) . . . [Objection filed]

(b) If this information is not in the possession of the Postal Service, please explain whether any efforts are underway currently which would give the Postal Service information relevant to the subject of Interrogatory NM/USPS-30 by the time rebuttal testimony is due in this docket (December 6, 1996). If not, when would such information be available?

(c) . . . [Objection filed]

RESPONSE:

(a) . . . [Objection filed]

(b) As a part of the internal management review of BRM which was described in the Postal Service's August 23, 1996, Response To PRC Order No. 1131, efforts to develop information "relevant to the subject of Interrogatory NM/USPS-30" are expected to be undertaken soon. It is not known presently what information relevant to the subject matter of Interrogatory NM/USPS-30 will be developed or available before December 6, 1996.

(c) . . . [Objection filed]

RESPONSES OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF NASHUA/MYSTIC

NM/USPS-70.

- (a) Please identify fully all documents provided in response to NM/USPS-34. Please identify any and all other similar and underlying documents in the possession of the Postal Service and provide copies with similar redactions.
- (b) Please provide USPS Publication 401 as a Library Reference.

RESPONSE:

- (a) The document provided in response to NM/USPS-34 is an analysis of errors in detected in Nashua's execution of the "reverse manifest" which has been employed for the last year. The analysis reflects a Postal Service review of October, 1995, and June and July, 1996. The narrative page included in the response to NM/USPS-34 describes the results of the June 1996 verification and compares them to October 1995. No documents containing the underlying raw data have been located.

Although no documents relating to any similar analysis of Nashua's "reverse manifest" system have been located, attached is a copy of notes taken during a February, 1996 telephone conversation between personnel at the Parkersburg Post Office and USPS Headquarters concerning another analysis of Nashua's performance.

- (b) A copy of USPS Publication 401 has been filed as USPS Library Reference SSR-148.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF NASHUA/MYSTIC

Attachment to USPS Response To NM/USPS-70(a)
Docket No. MC96-3

Redactions pertain to irrelevant matter.
The notes read as follows:

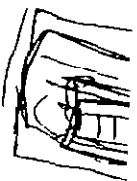
"Talked to Joe DeMay
2-1-96

as of last week: Errors
21 days - postage errors were
in favor of Nashua

3 days - in favor of USPS

11 days - No errors.

Less than half of the time the manifest
is accurate."



~~Handwritten scribbles at the top of the page.~~

~~Handwritten scribbles in the upper middle section of the page.~~

~~Large handwritten scribbles in the middle section of the page.~~

Talked to Joe Wilke
3-1-96;

every last week; Erwin

21 days - printing issues are
in favor of Neutline

3 days - in favor of USPS

11 days - No issues.

Any time half or the time the market
is in a slump;

RESPONSES OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF NASHUA/MYSTIC

NM/USPS-72.

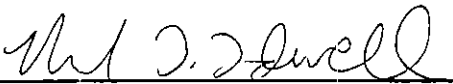
The response to NM/USPS-36(c) states that "[c]urrent BRM fees and eligibility requirements are based upon the recommendations of the Commission in Docket No. R94-1 and the decision of the Board of Governors to implement those recommendations." The interrogatory, however, asked for an explanation of the reasons supporting eligibility of mail handled manually for BRMAS automation rates, which is an issue that does not appear to have been addressed previously by the Commission or the Governors. In any event, please explain the reasons which you contend support the eligibility for BRMAS automation rates of mail handled manually, without regard to the Commission's recommendations and the Governors' decision regarding BRM.

RESPONSE:

The current BRMAS fee is a result of the Board of Governors' implementation of the Commission's Docket No. R94-1 recommendation to maintain the BRMAS fee which came out of Docket No. R90-1. That fee was based upon the record in that proceeding, which included the testimony of Postal Service witness Hien Pham (USPS-T-23). As acknowledged by the Commission, at PRC Op. R90-1, Vol. 1, at V-416, Mr. Pham's BRMAS attributable cost estimates are a weighted average of (a) the costs associated with BRMAS-fee eligible mail expected to receive automated processing and (b) the costs associated with BRMAS-fee eligible mail not expected to receive automated processing.

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.


Michael T. Tidwell

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2998; FAX -5402
September 20, 1996