

ORIGINAL

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

SPECIAL SERVICES REFORM, 1996

Docket No. MC96-3

UNITED STATES POSTAL SERVICE
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO
MMA WITNESS BENTLEY
(USPS/MMA-16-26)

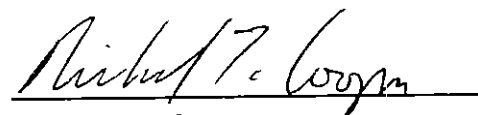
Pursuant to rules 25 and 26 of the Rules of Practice and Procedure and rule 2 of the Special Rules of Practice, the United States Postal Service directs the following interrogatories and requests for production of documents to Major Mailers Association witness Richard E. Bentley (USPS/MMA-16-26).

Respectfully submitted,

UNITED STATES POSTAL SERVICE

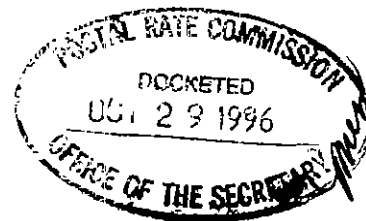
By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Richard T. Cooper

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October 29, 1996



**INTERROGATORIES OF UNITED STATES POSTAL SERVICE
TO RICHARD E. BENTLEY**

USPS/MMA-16. In your response to MMA/USPS-9(c), you state that the cost methodology used by the Commission in this docket "is very similar, if not identical" to what you define as the approved cost methodology (Docket No. R94-1 on reconsideration). Please explain in detail the basis for your conclusion, including a discussion of all evidence or other information which supports your conclusion.

USPS/MMA-17. Have you performed any analysis of the Commission's costing methodology reflected in PRC-LR-1 and 2? If so, please provide that analysis, including all notes, spreadsheets, workpapers, electronic files, and other related documentation. If not, why not?

USPS/MMA-18. Have you replicated or attempted to replicate the Commission's costing methodology reflected in PRC-LR-1 and 2? If so, please provide any and all notes, results, spreadsheets, workpapers, electronic files and other documentation related to that effort. If not, why not?

USPS/MMA-19. Have you compared or attempted to compare the Commission's costing methodology reflected in PRC-LR-1 and 2 with the Commission's costing methodology from its Docket No. R94-1 recommended decision on reconsideration? If so, please provide any notes, results, spreadsheets, workpapers, electronic files and other documentation related to that effort. If not, why not?

**INTERROGATORIES OF UNITED STATES POSTAL SERVICE
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USPS/MMA-20. Have you compared or attempted to compare the Commission's costing methodology reflected in PRC-LR-1 and 2 with the Commission's costing methodology from its initial Docket No. R94-1 recommended decision? If so, please provide any notes, results, spreadsheets, workpapers, electronic files and other documentation related to that effort. If not, why not?

USPS/MMA-21. Have you compared or attempted to compare the Commission's costing methodology reflected in PRC-LR-1 and 2 with the Commission's costing methodology from its Docket No. R90-1 recommended decision on remand? If so, please provide any notes, results, spreadsheets, workpapers, electronic files and other documentation related to that effort. If not, why not?

USPS/MMA-22. Have you compared or attempted to compare the Commission's costing methodology reflected in PRC-LR-1 and 2 with the Commission's costing methodology from its initial Docket No. R90-1 recommended decision? If so, please provide any notes, results, spreadsheets, workpapers, electronic files and other documentation related to that effort. If not, why not?

**INTERROGATORIES OF UNITED STATES POSTAL SERVICE
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USPS/MMA-23. Please refer to PRC LR-2. Please confirm that the cost model documented in this library reference differs from prior Commission cost models (specifically Docket No. R94-1 upon reconsideration, PRC LR-17) in at least the following respects:

a) PRC Component Numbers 309 through 316 (see page 2 of 13 of PRC LR-2, Component Titles and Numbers) formerly received a redistribution mail volume effect, but now receive a direct mail volume effect.

b) PRC Component Number 1002 formerly received a non-volume workload effect, but no longer receives such an effect.

If you cannot confirm, please explain fully.

USPS/MMA-24. Is it your testimony that, if the Postal Service had attributed costs in this case in a manner consistent with the "Commission-approved method," after such attribution the Postal Service's "institutional cost apportionment factors" (percentage shares of institutional cost burden) would be 62.27% for First-Class Mail, 19.80% for Third Class BRR, and 17.93% for all other? If so, please explain fully why. If not, please explain fully what "institutional cost apportionment factors" would apply, and why.

**INTERROGATORIES OF UNITED STATES POSTAL SERVICE
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USPS/MMA-25. Please refer to your response to USPS/MMA-3, in which you state your position that the Commission should not act upon the Postal Service's proposed changes in this docket until after the Postal Service provides certain cost information conforming to Commission-approved methods.

a) Please confirm that it is your position that, given the current status of the evidentiary and procedural record of this case, the Commission should delay issuance of its recommended decision. If you confirm, state and explain fully the basis upon which the Commission could delay issuance of its decision. If you do not confirm, please explain fully.

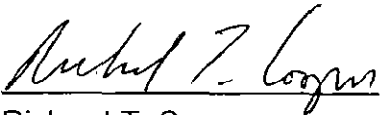
b) Would your position change in any way if the Commission were to provide the cost information in question, and provide a witness to sponsor, defend and explain it? Please explain fully. Include in any answer any objection you may have to Commission sponsorship of disputed methodologies.

**INTERROGATORIES OF UNITED STATES POSTAL SERVICE
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USPS/MMA-26. Assume that in the roll-forward methodology set out in the Commission's Docket No. R94-1 Recommended Decision on Reconsideration, the Commission, in its "ripple" file (see Docket No. R94-1, PRC LR-17, filename E:\RATE\R94-1\ROLL\R94REC10\RIP94.DAT), distributed components 1208 (Motor Vehicle Service-Personnel-Special Delivery Messengers) and 1219 (Motor Vehicle Service-Supplies & Materials-Special Delivery Messengers) on component 902 (Special Delivery Messengers-Street), but made no such distributions on component 901 (Special Delivery Messengers-Office). Assume further that the Commission, in the methodology described in library reference PRC-LR-2 (see filename PRC96RIP.DAT), distributed components 1208 and 1219 on component 901, in addition to the above-described distributions on component 902. In your opinion, would the Commission's PRC-LR-2 methodology be consistent with the methodology described in the Commission's Docket No. R94-1 Recommended Decision on reconsideration? Please explain your answer in detail.

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.


Richard T. Cooper

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