

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

MAILING ONLINE EXPERIMENT

Docket No. MC2000-2

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS LIM TO INTERROGATORIES OF
MAIL ADVERTISING SERVICE ASSOCIATION INTERNATIONAL
(MASA/USPS-T3-8 9)

The United States Postal Service hereby provides the responses of witness Lim to the following interrogatories of Mail Advertising Service Association International: MASA/USPS-T3-8 9, filed on December 29, 1999.

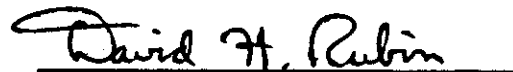
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



David H. Rubin

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January 10, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS LIM
TO INTERROGATORIES OF THE MAIL ADVERTISING SERVICE ASSOCIATION
INTERNATIONAL**

MASA/USPS-T3-8. Confirm that you have identified no Help Desk costs for the so-called "Pre-Experiment" period.

- a. Confirm that there was a Help Desk for the market test of MOL.
- b. Identify the amount of Help Desk expense incurred during the market test.
- c. State how you have accounted for Help Desk costs incurred during the market test.

RESPONSE:

Confirmed that I have included no "Pre-Experiment" costs.

- a. Confirmed.
- b. The total amount of Help Desk expense incurred during the market test was not needed and therefore was not collected for my testimony. I understand Help Desk costs for the market test were provided in reports filed with the Commission.
- c. Costs incurred for the market test, like all other market test costs during the experiment, were not included in my testimony.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS LIM
TO INTERROGATORIES OF THE MAIL ADVERTISING SERVICE ASSOCIATION
INTERNATIONAL**

MASA/USPS-T3-9. Confirm that it would be necessary to have registration and payment functions for MOL in the absence of USPS.com.

- a. State separately what the cost of the payment and registration functions is for USPS.com during the experimental period for MOL.
- b. Identify all services or products other than MOL that will use the (i) payment and (ii) registration functions of USPS.com during the experimental period.

RESPONSE:

Confirmed. Registration and payment functions would be necessary for Mailing Online in the absence of USPS.com; likewise, USPS.com would require payment and registration functions in the absence of Mailing Online.

- a. I understand that witness Takis addresses the appropriate costing of shared components serving a group of products, and that in conformity with his approach, Mailing Online should not pay for the USPS.com payment and registration system since the equipment is needed regardless of Mailing Online. Even if Mailing Online were required to pay the portion of the payment and registration system that corresponds to Mailing Online's proportional use, the resulting cost would be trivial. The USPS.com payment server is planned to accommodate over 3.6 million transactions per day, while Mailing Online needs only 24,000 per day. Applying this 0.66% cost driver to the \$168,020 expected cost of the payment server and software leaves around a thousand dollars.
- b. I understand that the plans for eventual use of USPS.com are currently under development. However, a partial list consists of Mailing Online, Shipping Online, PosteCS, Stamps Online, and Postmark America.

DECLARATION

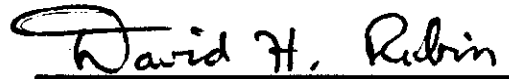
I, Chong Bum Lim, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

A handwritten signature in black ink, appearing to read "Chong Bum Lim", is written over a solid horizontal line.

Dated: JANUARY 10, 2000

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.

A handwritten signature in cursive script that reads "David H. Rubin". The signature is written in black ink and is positioned above a horizontal line.

David H. Rubin

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