

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

UNITED STATES POSTAL SERVICE
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO
THE OFFICE OF THE CONSUMER ADVOCATE WITNESS CALLOW
(USPS/OCA-T100-1-13)


Pursuant to rules 25 and 26 of the Rules of Practice and procedure, the United States Postal Service directs the following interrogatories and requests for production of documents to the Office of the Consumer Advocate witness Callow: USPS/OCA-T-100-1-13.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:


Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Kenneth N. Hollies

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.



Kenneth N. Hollies

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February 10, 2000

**POSTAL SERVICE INTERROGATORIES TO OFFICE OF THE CONSUMER
ADVOCATE WITNESS CALLOW**

USPS/OCA-T100-1) Please refer to page 13 of your testimony. Is it your understanding that a Postal Service goal for Mailing Online is that its pieces be entered in rate categories unique to Mailing Online?

- a. If so, please identify the source of your understanding.**
- b. If not, please explain your understanding of what categories the Postal Service plans for entry of Mailing Online pieces.**
- c. What rate categories do you think are appropriate for Mailing Online pieces, when, and why?**

USPS/OCA-T100-2) Please confirm that the Postal Service proposal for entry of Mailing Online pieces during the experiment in Automation Basic mail categories constitutes a mix of competitive advantage and disadvantage. If you do not confirm, please explain your answer fully.

USPS/OCA-T100-3) Please explain fully why you selected 18 months as the period during which Mailing Online pieces would be entered in Automation Basic mail categories after which your formulaic approach would apply?

- a. Did you consider any shorter or longer alternatives?**
- b. If so, please explain fully why you rejected each?**
- c. If not, why did you not consider alternatives?**

USPS/OCA-T100-4) The Mailing Online system will collect data that would allow estimation of "average" presort levels under a number of different conditions. For example, presort levels on Tuesdays may be much deeper than on Saturdays.

- a. Do you believe the Postal Service should develop and apply day-specific mail categories?**
- b. If not days of the week, what about seasonality?**
- c. What about variations between print sites?**
- d. Should any other characteristic variation be reflected in postage charges to Mailing Online customers?**

USPS/OCA-T100-5) The formula you propose in this docket differs from the one that you proposed in Docket No. MC98-1. In footnote 21 of your current testimony you state that the currently proposed formula is less complex than the previous one.

- a. Please identify each salient distinction in complexity between the original formula and the current one.**
- b. For each distinction identified in part (a), please provide your best understanding of the associated reductions in development time, effort and cost.**

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USPS/OCA-T100-6) Please identify and provide each other formula or approach you considered and rejected in preparing your current testimony, and explain why each was rejected.

USPS/OCA-T100-7) Please identify and provide any data to support a view that your formulaic approach would (or would not) satisfy or meet the expectations of Mailing Online customers.

a. Please explain fully the extent to which you considered customer expectations.

b. If you did not consider customer expectations in developing your proposal, please explain why you think implementation of it would lead to a successful experiment.

USPS/OCA-T100-8) Please identify and explain any background or experience you have in designing, implementing or maintaining large computer systems.

USPS/OCA-T100-9) Please identify and explain any background or experience you have in designing business solutions that meet or satisfy customer demand.

USPS/OCA/T100-10) In light of the fact that the Mailing Online experiment is intended to provide information that will inform a proposal for permanent Mailing Online service, please provide your best understanding of the comparability of information developed during the first 18 months of the experiment with that developed:

a. during months 19-24;

b. during months 19-36.

USPS/OCA-T100-11) To what extent do you believe DMCS language such as that proposed by the Postal Service and supported by the OCA which specifies how systems functionally equivalent to Mailing Online could be permitted to enter mail on the same terms as Mailing Online impacts the supposed competitive advantage for the Postal Service that your testimony seeks to minimize? Please explain fully.

USPS/OCA-T100-12) Please explain how your proposal for Mailing Online, if adopted and implemented, would differ from a sequence of two experiments, one involving Mailing Online as proposed by the Postal Service and one as proposed by you.

USPS/OCA-T100-13) Please refer to your testimony at p. 15, line 20, where you assert the Postal Service would have "ample time" to develop your proposed form of a Mailing Online experiment, and your assertion in footnote 21 that it would be "technically possible". Please explain fully your understanding and the bases for it of

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how much time is necessary to develop the system you propose and how readily a
"technically possible" system can be developed.