

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES

Docket No. R2000-1

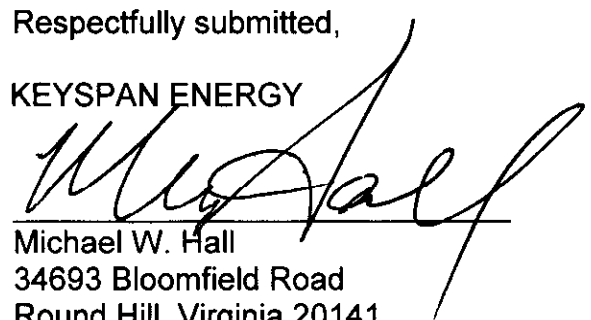
KEYSPAN ENERGY'S
FIRST SET OF INTERROGATORIES AND DOCUMENT PRODUCTION REQUESTS
TO USPS WITNESS DAVID R. FRONK

Pursuant to Rules 25 and 26 of the Commission's Rules of Practice, KeySpan Energy submits the following interrogatories and document production requests to United States Postal Service witness David R. Fronk: **KE/USPS-T33-1-2**. If the designated witness is unable to answer any of these questions, please direct them to the appropriate witness who can provide a complete response.

Respectfully submitted,

KEYSPAN ENERGY

By:


Michael W. Hall
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Round Hill, Virginia 20141
540-554-8880
Counsel for
KeySpan Energy

Dated: Round Hill, VA
February 14, 2000

**KeySpan Energy's First Set Of Interrogatories
And Requests For Production Of Documents
To USPS Witness David R. Fronk**

KE/USPS-T33-1 On page 23 of your testimony you state "QBRM is clean, prebarcoded mail and incurs less cost than non-barcoded mail."

- (a) Please state the basis for this statement and provide all documents that support your assertion?
- (b) How is this statement consistent with USPS witness Miller's finding that the derived unit cost to count QBRM pieces received in large quantities (2.0 cents LR-I-160, Schedule B-2)) is over three-and-one-half times the unit cost to count nonletter-sized BRM pieces, which are non-uniform irregular parcels that are not barcoded (.57 cents (LR-I-160, Schedule K-1))?

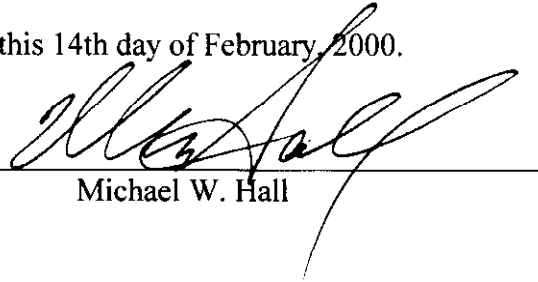
KE/USPS-T33-2 In Docket No. R97-1, the Board of Governors rejected the Postal Service's own proposal to establish a Prepaid Reply Mail (PRM) discount.

- (a) Please confirm that, when the Board of Governors rejected the Postal Service's own proposal to establish a Prepaid Reply Mail (PRM) discount, it did not modify the Commission's cost analysis underlying the 5 cent per piece QBRM fee recommended by the Commission. If you cannot confirm, please explain.
- (b) By rejecting the Postal Service's own PRM proposal and accepting without modification the Commission's QBRM cost analysis and 5-cent per piece rate recommendation, didn't the Board of Governors effectively accept a QBRM per piece fee that did not reflect lower-cost PRM volumes in the derivation of the unit cost to process QBRM letters. If you do not agree, please explain.
- (c) Please confirm that the current QBRM per piece fee of 5 cents is based on a cost analysis that overstated the unit cost to process QBRM letters? If you cannot confirm, please explain.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing discovery request upon the United States Postal Service, Ted P. Gerarden, the Designated Officer of the Commission, and participants who requested service of all discovery documents, in compliance with Rules 12, 25, and 26 of the Commission's Rules of Practice And Procedure.

Dated at Round Hill, VA this 14th day of February 2000.



Michael W. Hall