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POSTAL RATE GOLLINGEN
OFFICE OF THE SECRETARY

BEFORE THE POSTAL RATE COMMISSION WASHINGTON, DC 20268-0001

Docket No. R2000-1

Postal Rate and Fee Changes, 2000

FIRST INTERROGATORIES OF ALLIANCE OF NONPROFIT MAILERS TO USPS WITNESS TAUFIQUE (ANM/USPS-T38-1-6)

The Alliance of Nonprofit Mailers ("ANM") respectfully submits the attached interrogatories and document requests to USPS witness Altaf H. Taufique (USPS-T-38). ANM incorporates by reference the instructions in OCA interrogatories OCA/USPS-1-14 (filed Jan. 24, 2000).

Respectfully submitted,

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February 16, 2000

QUESTIONS

ANM/USPS-T38-1. This question refers to pages 2-5 of your testimony, where you state that the Postal Service's proposed rates for nonprofit Periodicals mail assume the passage of legislation designed to "avoid rate anomalies in the current rate case as well as future proceedings." Please confirm that the Commission cannot both accept the Postal Service's cost estimates and recommend the Postal Service's proposed rates for nonprofit Periodicals mail unless Congress changes the law. If you fail to confirm, please explain fully.

ANM/USPS-T38-2. Please produce a table showing the rate changes for nonprofit Periodicals mail that would follow from the Postal Service's proposed cost estimates if the existing statutory constraints on preferred rates remain unchanged. Please use a format comparable to the schedule on pages 25-26 of Attachment B to the USPS Request.

ANM/USPS-T38-3. Does the Postal Service contend that its Rate Request and supporting documentation provide an adequate basis for the Commission to recommend rates for nonprofit Periodicals mail if the existing statutory constraints on preferred rates remain unchanged?

- (a) If so, please produce a table, in a format comparable to pages 25-26 of Attachment B to the USPS Request, showing the rates that the Postal Service believes could be lawfully recommended by the Commission.
- (b) If not, please specify in detail what must be added to the Postal Service's filing before the Commission can lawfully recommend rates under the existing statutory constraints.

ANM/USPS-T38-4. This question refers to page 4, lines 21-22 of USPS-T-38,

where you state that "The statistical systems that are used to estimate cost data for the various subclasses will become even more reliable if the Regular, Nonprofit and Classroom subclasses are combined into a single larger subclass. Both the volume and cost for the Outside County subclass should attain greater stability as a result of this combination."

- (a) In the phrase "even more reliable," what measures of reliability and stability did you have in mind?
- (b) Please produce (or cite, if already filed in this docket) all data, studies and analyses that support your belief that the cost data for nonprofit Periodicals mail are already "reliable" by those measures.
- (c) If the cost data are reliable, please explain why there is a problem with their stability.

ANM/USPS-T38-5. Please identify each characteristic of nonprofit Periodicals mail that the Postal Service has studied, investigated or analyzed since Docket No. R97-1 as a possible cause of the relatively rapid cost increases attributed to the subclass. Produce all documents relating to each such study, investigation or analysis.

ANM/USPS-T38-6. Please produce all memoranda, correspondence or other communications created by in-house or outside economists, cost analysts or consultants for Postal Service headquarters since July 1, 1998, concerning possible causes of the relatively rapid cost increases attributed to nonprofit Periodicals mail by the Postal Service's costing systems.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document on all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

February 16, 2000