

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

**First Set of Interrogatories of
National Newspaper Association
to the United States Postal Service**

Pursuant to Section 20 of the Commission's Rules of Practice, the National Newspaper Association (NNA), hereby submits the attached interrogatories to the United States Postal Service (NNA/USPS T1-14.)

Respectfully Submitted

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February 23 2000

QUESTIONS

Please refer the following questions to a witness with the expertise to respond to them and who will be available to explain the responses in oral cross-examination.

NNA/USPS T-1. Please confirm that the PERMIT system allows post offices to track the audit history of a periodical.

NNA/USPS T-2. Please respond with respect to audits.

a. If your response is to NNA/USPS T-1 is yes, please state whether USPS policy requires a specific audit frequency, or if there is not a required frequency, the maximum time permitted to pass without an audit?

b. Which Postal Service personnel have responsibility to examine audit list and to determine whether the audit schedule is being kept?

NNA/USPS T-3. What is the likelihood that a periodical would be mailed continuously without an audit?

- a. for 18 months
- b. for two years
- c. for three years?

NNA/USPS T-4. Please respond to the following questions with respect to the PERMIT system.

- a. When was the PERMIT system first deployed in post offices?
- b. Please state an approximate annual rate of conversion of nonautomated offices to PERMIT.
- c. How many post offices were on PERMIT in the base year.
- d. How many have been added since FY96?
- e. Have any offices been removed from PERMIT since FY96? If so, why?
- f. Are the PERMIT system data generally considered more reliable than data submitted by nonautomated offices?
- g. In your experience, do the data submitted by a nonautomated office sometimes display material errors that are identified when the conversion to PERMIT is accomplished?
- h. If your response to g. is yes, has the Postal Service conducted studies or made adjustments to any of its measurement systems to allow for such errors.

NNA/USPS T-5. Please provide tabulated total of the number of offices on PERMIT by Cost Ascertainment Group.

NNA/USPS T-6. Please provide a tabulated total of the number of nonautomated offices by Cost Ascertainment Group.

NNA/USPS T-7. Does the Postal Service plan to introduce PERMIT into every office at some point in the identifiable future?

NNA/USPS T-8. If yes, please state when the total conversion is expected to be completed. . If no, please explain in detail why PERMIT would not be used in every post office where periodicals mail is entered.

NNA/USPS T-9. Please confirm that non-PERMIT offices tend to be small in numbers of personnel or volumes.

NNA/USPS T-10. Please respond with respect to offices operated for the Postal Service by independent contractors:

- a. How many contract offices are there?
- b. Does the contract generally require the postmaster to use PERMIT if USPS deems it necessary?
- c. Can an independent contractor postmaster refuse its usage?
- d. How are contract offices trained to use PERMIT?
- e. Are contract offices generally smaller or more rural than USPS owned offices?

NNA/USPS T-11. Please confirm that periodicals entered into additional entry offices and exceptional dispatch offices are handled identically with respect to mail processing and delivery.

NNA/USPS T-12. Please confirm that the only differences to postal operations between additional entry periodicals and exceptional dispatch periodicals are the payment by the former of an additional entry fee and possible use of additional trust accounts. If your response is no, please explain in detail any differences.

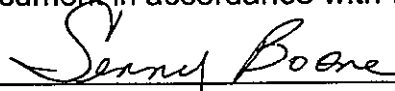
NNA/USPS T-13. Does the Postal Service know the percentage of in-county mail volume constituted by:

- a. Newspapers
- b. Magazines
- c. Newsletters
- d. Other matter?

NNA/USPS T-14. Has the Postal Service or any other party to your knowledge conducted a study of the content of in-county mail since 1986? If so, please provide a reference to the study.

Certificate of Service

I hereby certify that I have on this 23 day of February, 2000, served the foregoing document in accordance with the Commission's Rules of Practice.



Senny Boone