

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, 2000

Docket No. R2000-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE  
WITNESS FRONK TO INTERROGATORY OF KEYSpan ENERGY  
(KE/USPS-T33-1)

The United States Postal Service hereby provides the response of witness Fronk to the following interrogatory of KeySpan Energy: KE/USPS-T33-1, filed on February 14, 2000.

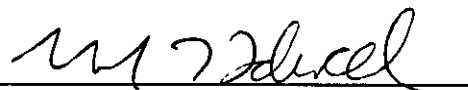
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



Michael T. Tidwell

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February 28, 2000

RESPONSE OF U.S. POSTAL SERVICE WITNESS FRONK  
TO INTERROGATORIES OF KEYSpan ENERGY

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))?

RESPONSE:

- (a) The quoted statement appears in the portion of my testimony which proposes the QBRM postage rate of 31 cents for letters. (A similar statement appears on page 40 of my testimony (USPS-T-33), where I propose the QBRM postage rate of 18 cents for cards). As such, I note that this statement was not made within the context of a discussion of the BRM special service fees. (See the testimony of witness Mayo, USPS-T-39 at Section IV.D, for a discussion of BRM fees.)

When I state that QBRM is "clean, prebarcoded mail," I mean that QBRM by definition must be prebarcoded and must meet the format standards set forth in Section S922.5.0 of the Domestic Mail Manual. As indicated in that section of the DMM, those requirements include mail piece preparation and barcoding standards.

When I state that QBRM incurs less cost than non-barcoded mail, I am referring specifically to the QBRM cost study prepared by witness Campbell for this docket (USPS-T-29 at Section IV.D). As cited in my testimony (USPS-T-33 at page 39), witness Campbell's cost study shows a cost avoidance of 3.4 cents, applicable to both letters and cards.

- (b) I believe this question should refer to witness Campbell (USPS-T-29) rather than witness Miller. This question appears to be confusing two elements of the QBRM pricing structure – the discounted postage rates and the BRM postage due accounting fees. As discussed in my response to part (a) above, my statement was made within the context a discussion of QBRM postage rates, not QBRM fees.

**DECLARATION**

I, David R. Fronk, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

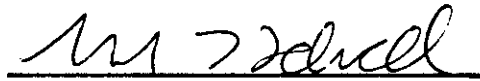
*David R. Fronk*

David R. Fronk

Dated: 2-28-00

**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 black ink, appearing to read "M. Tidwell", is written over a horizontal line.

Michael T. Tidwell

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