

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

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

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS KIEFER TO INTERROGATORIES OF
THE ASSOCIATION OF AMERICAN PUBLISHERS
(AAP/USPS-T37-1-14)

The United States Postal Service hereby provides the responses of witness Kiefer to the following interrogatories of the Association of American Publishers: AAP/USPS-T37-1-14, filed on February 29, 2000.

Each 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



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March 14, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
TO INTERROGATORIES OF ASSOCIATION OF AMERICAN PUBLISHERS**

AAP/USPS-T37-1 Please provide all underlying data used to prepare Figure 5 that appears at on page 29 of your testimony.

RESPONSE

Please see Attachment to the response to AAP/USPS-T37-1.

Mid Year	Rate for 1-Pound Parcel			Rate for 3.5-Pound Parcel		
	Local	Zones 1&2	Zone 6	Local	Zones 1&2	Zone 6
1971	0.28	0.34	0.38	0.32	0.4	0.55
1972	0.28	0.34	0.38	0.32	0.4	0.55
1973	0.28	0.34	0.38	0.32	0.4	0.55
1974	0.34	0.41	0.46	0.39	0.49	0.65
1975	0.34	0.41	0.46	0.39	0.49	0.65
1976	0.52	0.62	0.7	0.59	0.74	0.99
1977	0.52	0.62	0.7	0.59	0.74	0.99
1978	0.69	0.92	1.02	0.69	0.94	1.31
1979	0.69	0.92	1.02	0.69	0.94	1.31
1980	0.69	0.92	1.02	0.69	0.94	1.31
1981	0.69	0.92	1.02	0.69	0.94	1.31
1982	0.69	0.92	1.02	0.69	0.94	1.31
1983	0.69	0.92	1.02	0.69	0.94	1.31
1984	0.69	0.92	1.02	0.69	0.94	1.31
1985	0.55	0.77	1	0.65	0.93	1.73
1986	0.55	0.77	1	0.65	0.93	1.73
1987	0.55	0.77	1	0.65	0.93	1.73
1988	0.67	0.92	1.16	0.75	1.07	1.91
1989	0.67	0.92	1.16	0.75	1.07	1.91
1990	0.67	0.92	1.16	0.75	1.07	1.91
1991	0.93	1.27	1.45	0.99	1.38	2.02
1992	0.93	1.27	1.45	0.99	1.38	2.02
1993	0.93	1.27	1.45	0.99	1.38	2.02
1994	0.93	1.27	1.45	0.99	1.38	2.02
1995	1.11	1.49	1.74	1.17	1.6	2.18
1996	1.11	1.49	1.74	1.17	1.6	2.18
1997	1.11	1.49	1.74	1.17	1.6	2.18
1998	1.11	1.49	1.74	1.17	1.6	2.18
1999	1.14	1.54	1.81	1.22	1.66	2.3

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
TO INTERROGATORIES OF ASSOCIATION OF AMERICAN PUBLISHERS**

AAP/USPS-T37-2 Please provide all underlying data used to prepare Figure 6 that appears at page 30 of your testimony.

RESPONSE

Please see Attachment to the response to AAP/USPS-T37-2.

BASIC PRESORT SAMPLE RATES

Mid Year	Rate for 1-Pound Parcel			Rate for 3.5-Pound Parcel		
	Local	Zones 1&2	Zone 6	Local	Zones 1&2	Zone 6
1985	0.276	0.383	0.611	0.366	0.541	1.339
1986	0.276	0.383	0.611	0.366	0.541	1.339
1987	0.276	0.383	0.611	0.366	0.541	1.339
1988	0.348	0.488	0.730	0.418	0.633	1.480
1989	0.348	0.488	0.730	0.418	0.633	1.480
1990	0.348	0.488	0.730	0.418	0.633	1.480
1991	0.460	0.632	0.813	0.510	0.737	1.371
1992	0.460	0.632	0.813	0.510	0.737	1.371
1993	0.460	0.632	0.813	0.510	0.737	1.371
1994	0.460	0.632	0.813	0.510	0.737	1.371
1995	0.553	0.743	0.909	0.611	0.851	1.432
1996	0.553	0.743	0.909	0.611	0.851	1.432
1997	0.553	0.743	0.909	0.611	0.851	1.432
1998	0.553	0.743	0.909	0.611	0.851	1.432
1999	0.568	0.771	0.953	0.638	0.899	1.536

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
TO INTERROGATORIES OF ASSOCIATION OF AMERICAN PUBLISHERS**

AAP/USPS-T37-3 On page 30 (lines 9-12) of your testimony, you describe the migration of books from the Special Standard subclass as continuing "well into the 1990s, after this migration was believed to be complete." Please identify and provide all studies, reports, data or other evidence that you relied upon to conclude that this migration was "believed to be complete" by sometime in the 1990s.

RESPONSE

The question inaccurately characterizes the testimony. The testimony refers to the volume of Bound Printed Matter and states that "*growth* continued well into the 1990s..." (emphasis added). The testimony identifies migration of books from Special Standard Mail as *one factor* that *initially* contributed to the growth of Bound Printed Matter volumes during the 1980s and 1990s.

The statement that this migration was believed to be complete by some time in the 1990s rests on the testimony of USPS witness Nai-Chi Wang (USPS-T-21) in Docket No. R90-1. Section II.F. of witness Wang's testimony, beginning on page 32 and running through page 35 discusses the book migration issue (Please see Attachment AAP/USPS-T37-3). In drawing his conclusions, witness Wang relies in part on the testimony of AAP witness Baer in Docket No. R87-1. Witness Wang then sums up, "[i]t also confirms witness Baer's testimony that the migration has essentially been completed." This conclusion was the basis of my testimony that rapid growth continued into the 1990s after the book migration from Special Standard Mail was believed to be over.

1 E. Test-Year Costs and Revenues

2 Test-year costs and revenues (including domestic
 3 mail fees) for bound printed matter, before and after rates,
 4 are displayed below:

	<u>Bound Printed Matter</u>		<u>Revenue as</u>
	<u>Cost</u>	<u>Revenue</u>	<u>Percent of Cost</u>
	(000,000)		
7 Before Rates	\$238.3	\$320.3	134.4%
8 After Rates	\$216.1	\$327.2	151.4%

9 Cost per piece, revenue per piece, contribution to institu-
 10 tional costs, and the percent rate increase are as follows:

	<u>Bound Printed Matter</u>	<u>Proposed Rates</u>
12 Cost per piece		\$0.535
13 Revenue per piece		\$0.810
14 Contribution to Institutional Costs		\$0.275
14 Percent Rate Increase		14.4%

15 Postal Service witness Lyons proposes a 152
 16 percent cost coverage which results in a rate increase of
 17 approximately 14.4 percent.

18 F. Proposed Classification Change

19 The Postal Service proposes a change to the
 20 Domestic Mail Classification Schedule for bound printed
 21 matter to include the mailing of books. The proposed change
 22 in the classification schedule is consistent with 39 U.S.C.
 23 section 3623(c). The purpose of the change is to offer
 24 mailers a choice between fourth-class special-rate and bound
 25 printed matter without the mailer's having to resort to the

1 nominal use of advertising for the book to be eligible.

2 1. History

3 Books, according to DMCS (Domestic Mail
4 Classification Schedule) 400.023(e), are not generally
5 eligible for mailing as bound printed matter because they
6 are eligible for special-rate fourth-class. However, under
7 DMCS 400.023(f) book mailers have qualified for bound
8 printed matter by including non-incidenta1 advertising.
9 Thus, when it became advantageous, publishers began
10 including such advertising in their books and the migration
11 from special rate to bound printed matter began.

12 I have examined the information available on
13 volume. I agree with industry witnesses in Docket No.
14 R87-1 who testified that it is clear that books once
15 tendered as special-rate fourth-class mail have migrated
16 from special rate to bound printed matter in substantial
17 numbers.

18 In Docket No. R87-1, Association of American
19 Publishers witness Baer testified as follows (PRC Op.,
20 Docket No. R87-1, Vol. I, at 729):

21 (a) Reader's Digest had already converted
22 over 80 percent of its book volume to bound printed matter.
23 The conversion was essentially completed at that time.

24 (b) Most publishers had already made similar
25 conversions.

1 (c) Mailers should be permitted the least
2 costly way of mailing books without having to include
3 advertising.

4 2. Quantitative Evidence

5 An inspection of the aggregated volume data
6 for special rate and bound printed matter since 1971 shows
7 distinctly different special-rate volume patterns before and
8 after 1979, the year that phased rates for special-rate
9 fourth-class were ended (Exhibit USPS-21H).

10 During the period of 1971-1978, fourth-class
11 special-rate volume had no clear growth trend. It simply
12 fluctuated from year to year within a narrow range. There
13 were 288 million pieces in 1971, and 283 million pieces in
14 1978 with an average annual volume of about 290 million
15 pieces per year for the eight-year period. Thus, the level
16 of volume remained virtually unchanged. In percentage
17 terms, the average change from 1971 to 1978 was negligible.
18 Meanwhile, bound printed matter volume, on average, declined
19 by 3.1 percent a year. These data suggest that the
20 migration of books from special rate to bound printed matter
21 did not occur during the 1971-1978 period.

22 After preferred rates for special-rate were
23 phased out in July 1979, a downward trend in special-rate
24 volume is evident. On average, special-rate volume declined
25 13.1 million pieces or 5.6 percent a year in the period of

1 1979-1987. The volume was only 165 million pieces in 1987,
2 a total decrease of 118 million pieces or about 42 percent
3 from the 283 million in 1978.

4 During the 1979-1987 period, while special-
5 rate volumes declined, bound printed matter, reversing its
6 downward trend, experienced volume increases. The increases
7 cannot be attributed to the normal growth of the catalogs
8 component. According to the testimony of Mail Order
9 Association of America (MOAA) witness Stadelman in Docket
10 No. R87-1, MOAA's volume of mailed catalogs declined from 79
11 million pieces in 1980 to 63 million pieces in 1986. These
12 facts strongly suggest that a migration of books from
13 special rate to bound printed matter was, in fact, taking
14 place. It also confirms witness Baer's testimony that the
15 migration has essentially been completed. Therefore, the
16 proposed change is expected to have little impact on further
17 migration.

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
TO INTERROGATORIES OF ASSOCIATION OF AMERICAN PUBLISHERS**

AAP/USPS-T37-4 On page 33 (lines 3-4) of your testimony, you state that "the Postal Service proposes that the Commission recommend elimination of a separate Local zone rate for Bound Printed Matter." With respect to this statement, please identify and provide all studies or reports that pertain to the recommended elimination of the Local zone rate for BPM.

RESPONSE

No studies were conducted. However discussions took place involving Postal Service personnel in the finance, marketing and operations areas that led to the identification of the problems with the Local rate mail described in my testimony. These discussions also led to the proposal to develop a full range of drop ship discounts and the elimination of the Local rate as a solution to these problems. This solution was presented to and accepted by Postal Service management and is the basis of the classification changes proposed in my testimony.

See also, the response of USPS witness Linda Kingsley to AAP interrogatory AAP/USPS-T10-1 and the documents cited in that response.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
TO INTERROGATORIES OF ASSOCIATION OF AMERICAN PUBLISHERS**

AAP/USPS-T37-5 With respect to the portion of your testimony pertaining to the elimination of Local zone BPM rates as described on page 33 of your testimony, please describe any alternatives to the elimination of the Local zone rates that were considered prior to the filing of this case. Please identify and provide all studies, reports, data or other evidence that describe any of these alternatives.

RESPONSE

Please see the response to the previous question. In the course of the discussions referred to in that response, the possibility of offering both a Local rate that was considerably higher than the current Local rate, as well as a lower DDU rate was briefly considered. This alternative was rejected early on as overly complicated and likely to result in confusion among both mailers and USPS personnel if implemented. No formal studies, reports, data or other evidence describing this or other alternatives exist.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
TO INTERROGATORIES OF ASSOCIATION OF AMERICAN PUBLISHERS**

AAP/USPS-T37-6 On page 33 (lines 9-10) of your testimony, you describe the costs for processing and transportation of BPM entered as Local mail that "were not incorporated into the Local rate." With respect to this statement, please identify and provide all studies, reports, data or other evidence relied upon to conclude that any of these processing and transportation costs for BPM entered as Local mail have not already been captured in the current Local zone rate for BPM.

RESPONSE

No studies were performed. However Postal Service finance personnel did review the cost assumptions that underlay the Local rates and found them to be inconsistent with the operational realities of the way this mail was handled. This review consisted of information gathering, and produced no report.

See also, the response of USPS witness Linda Kingsley to AAP interrogatory AAP/USPS-T10-1 and the documents cited in that response.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
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AAP/USPS-T37-7 At footnote 13 of page 33 of your testimony, you state that “[w]ith elimination of the Local zone, all mail formerly paying the Local rate would fall into the Zones 1&2 rate category, unless prepared and entered as DDU mail.” With respect to this statement:

- (a) Has the Postal Service estimated the number of pieces of BPM in the test year that formerly paid the Local rate but will now pay the Zone 1&2 rate because they cannot achieve the preparation requirements necessary for any Destination Delivery Unit (“DDU”) discounts?
- (b) If the answer is yes to subpart (a) of this interrogatory is yes, please provide this estimate, explain how the piece volume estimate was derived and identify all studies, reports, data or other evidence upon which such estimate was based.

RESPONSE

- (a) No. However, the Postal Service has a study that indicates where BPM mail paying the Local rate is currently deposited. See Attachment to response to AAP/USPS-T37-7. Approximately 49% is currently entered at DDU, 44% at DSCF and 2% at DBMC. Only 5.2% is entered at locations where the Zones 1&2 rate would apply. The question has also called to my attention an inaccuracy in Footnote 13; in addition to the DDU rate, mail currently paying the Local rate can also potentially be prepared and entered as DSCF or DBMC mail. An erratum correcting Footnote 13 is being filed to include these other rate options for Local rate mail.
- (b) Please see Attachment H, Table 1 to the testimony of USPS witness Charles Crum (USPS-T-27) which presents the study finding cited in subpart (a).

Attachment to response to AAP/USPS-T-37-7

Entry Location for Current Local Rate Mail
(Source: USPS-T-27, Attachment H, Table 1)

DDU	49.1%
Other DU	5.2%
DSCF	43.7%
DBMC	2.0%

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
TO INTERROGATORIES OF ASSOCIATION OF AMERICAN PUBLISHERS**

AAP/USPS-T37-8 On page 33 (lines 12-15) of your testimony, you state that “[b]y restricting the availability of these discounts to DDU-entered mail, the Postal Service will ensure that the rates paid by mail claiming the discounts will more closely reflect the costs to process and deliver it.” Please describe fully how the discounts can be restricted to DDU-entered mail.

RESPONSE

Please see the Postal Service’s proposed changes to the Domestic Mail Classification Schedule (Attachment A to Request of the United States Postal Service for a Recommended Decision on Changes in Rate of Postage and Fees for Postal Service, at page 46). Proposed DMCS Section 522.9 establishes eligibility for BPM to receive the DDU rate. Section 522.9 restricts DDU rate treatment to mail that, in addition to meeting other qualifications, is “entered at a designated destination delivery unit, or other equivalent facility, as specified by the Postal Service.”

Section 533.9, if recommended by the Postal Rate Commission and approved by the Governors will restrict DDU discounts to DDU-entered (or DDU-equivalent-entered) mail.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
TO INTERROGATORIES OF ASSOCIATION OF AMERICAN PUBLISHERS**

AAP/USPS-T37-9 At footnote 14 on page 34 of your testimony, you state that “[t]o make drop-shipped BPM consistent with drop-shipped Parcel Post, the Postal Service also proposes that mailers using these rates pay an annual \$100 destination entry permit fee.” With respect to this statement:

- (a) Please explain why drop-shipped BPM must be “consistent” with drop-shipped Parcel Post.
- (b) Please explain the purpose and basis for assessing the \$100 destination entry permit fee.

RESPONSE

- (a) In the absence of a compelling reason to treat Parcel Post and BPM differently, maintaining simplicity in the rate schedule and in the relationships between the fees charged the various classes of mail argues for charging the same fee for similar permits.
- (b) This part of the question has been redirected to USPS witness Mayo for response. The \$100 amount cited for the permit fee in my testimony is in error. The fee proposed by witness Mayo is \$125. An erratum to my testimony is being filed to make the amount of the fee consistent with the testimony of witness Mayo where the fee is proposed.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
TO INTERROGATORIES OF ASSOCIATION OF AMERICAN PUBLISHERS**

AAP/USPS-T37-10 On page 38 of your testimony is a chart (Table 15) which compares preliminary and current BPM rate elements. With respect to Table 15:

- (a) Do the "current rates" for BPM shown on Table 15 on page 38 of your testimony correspond to the current per piece and per pound rates shown on WP-BPM-13? If your answer is no, please identify and explain the discrepancies between the two documents.
- (b) WP-BPM-13 shows per-piece and per-pound rates for BPM pieces in the local zone that do not appear on Table 15. For example, WP-BPM-13 shows a per piece rate of \$0.54 and a per pound rate of \$0.028 for presort BPM in the Local zone. Did you calculate any estimate of the percent change that would have been produced if you had included in Table 15 a comparison of preliminary rates to the current rates for BPM in the Local zone? If your answer is yes, please provide the estimate of the rate change and identify and provide all studies, reports, data or other evidence upon which such estimate was based. If your answer is no, please explain why no such estimate was calculated or considered in preparing your testimony.

RESPONSE

- (a) The current rates for the zones listed in Table 15 correspond to the per-piece and per-pound rates shown on WP-BPM-13 for the corresponding zones.
- (b) No. As was stated in my testimony, I have proposed a destination entry unit (DDU) discounted rate to replace the Local rate. The preliminary rates shown for comparison in Table 15 are rates for origin-entered, rather than destination-entered mail, so the appropriate comparisons would be between these rates and existing origin-entry rates for the same zones. I present comparisons between the current Local rate and proposed Basic Presort and Carrier Route Presort

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
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DDU rates in my workpapers WP-BPM-24 and WP-BPM-26. The proposed DDU rates, rather than the preliminary zoned rates, are the appropriate reference points for comparison with the current Local rates. However, since some current Local rate mail may be entered at DSCFs, DBMCs or at other facilities than at the DDU, Attachment to response to AAP/USPS-T37-10 presents some percentage rate increases for sample Basic Presort parcels weighing two and four pounds each.

**Rate Increases for a 2- and 4-Pound Local Rate Parcel
Under Proposed Rates, Assuming Different Entry Locations**

	Current Local Rate	Proposed DDU Rate	Proposed DSCF Rate	Proposed DBMC Rate	Proposed Zone 1&2 Rate
2-Pound Parcel Postage	0.596	0.674	0.729	0.963	1.033
Percent Increase		13.1%	22.3%	61.6%	73.3%
4-Pound Parcel Postage	0.652	0.74	0.799	1.083	1.161
Percent Increase		13.5%	22.5%	66.1%	78.1%

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
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AAP/USPS-T37-11 On page 37 (lines 24-26) of your testimony, you explain that certain of the rate increases shown on Table 15 “would produce a severe rate shock if the preliminary charges were implemented without adjustment.” On page 38 of your testimony you also state that mitigating rate shock is but one of several “policy reasons” for adjustment of the preliminary rate elements set forth in Table 15. With respect to this statement:

- (a) Are severe rate shocks such as those shown in Table 15 avoided as a matter of postal rate-making policy? If yes, please explain why.
- (b) Please explain why the rates as proposed for BPM as shown in Table 16 do not result in or constitute rate shock.

RESPONSE

- (a) Avoiding severe rate shocks is a policy consideration in developing rates proposed to the Commission. It is not the sole determining factor in developing rates.
- (b) Any rate shock that might result from the proposed rates shown in Table 16 would certainly be smaller than it would have been without the Postal Service’s mitigation efforts.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
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AAP/USPS-T37-12 On page 39 (lines 3-5) of your testimony, in developing drop-ship discounts for BPM, you explain “[p]rudence argues for a conservative implementation of these discounts, passing through only a portion of the estimated cost savings in this rate proceeding, in case the proxy cost savings turn out to be overly optimistic.” With respect to this statement, please provide for each rate element of BPM listed on Table 16 or your testimony: (a) the per piece and per pound cost savings estimated by the USPS and (b) the percentage of those cost savings that have been passed through in the proposed BPM rates in this case. Please identify and provide all studies, reports, data or other evidence upon which your answer is based.

RESPONSE

Please see Attachment AAP/USPS-T37-12. The Attachment was developed from data in my workpapers, WP-BPM-1, WP-BPM-15 and WP-BPM-16.

Pass-Through of Cost Savings

Discount	Savings	Per-Piece Discount	Pass-Through	Savings	Per-Piece Discount	Pass-Through
DBMC						
Zones 1&2	0.38	0.062	16%	0.047	0.004	9%
Zone 3	0.38	0.062	16%	0.018	0.006	33%
Zone 4	0.38	0.062	16%	0.003	0.006	200%
Zone 5	0.38	0.062	16%	-0.100	0.008	-8%
DSCF	0.529	0.246	47%	0.083	0.029	35%
DDU	0.656	0.297	45%	0.107	0.031	29%
Carrier Route	0.077	0.077	100%	0	0	
Barcode	0.029	0.030	103%	0	0	

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
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AAP/USPS-T37-13 On page 39 (lines 7-9) of your testimony, you state that “the per-piece cost savings estimated by Witness Crum for DBMC Bound Printed Matter are based on the assumption that BMC mail processing costs are nearly 100% volume variable.” On page 39 of your testimony (lines 9-11), you also state that “[w]hile the Postal Service is using this assumption for calculating attributable costs in this docket, it is uncertain that mail drop-shipped to BMCs will avoid all of these costs....” In view of the latter statement, please explain the assumption that BMC mail processing costs for BPM are nearly 100% variable.

RESPONSE

Please see the testimony of USPS witness Bozzo (USPS-T-15), pages 132 to 139 for an explanation.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
TO INTERROGATORIES OF ASSOCIATION OF AMERICAN PUBLISHERS**

AAP/USPS-T37-14 The workpapers which support your testimony, particularly at WP-BPM-22 to WP-BPM-26, estimate in percentage terms the proposed changes for BPM that the USPS is recommending in this case. These workpapers omit any reference to proposed changes for the BPM mail that currently is charged at the Local zone rate. Please provide any workpapers or any other studies, reports, data or other evidence that describe or show percentage increases for mail currently charged at the Local zone rate.

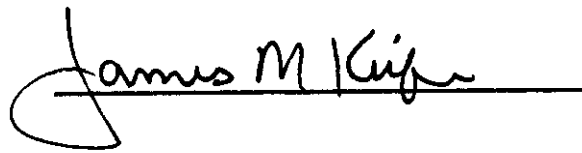
RESPONSE

The question incorrectly asserts that no reference is made to proposed rate changes for BPM mail that currently pays the Local rate. Workpapers WP-BPM-24 and WP-BPM-26 show the percentage rate increases for DDU rate mail compared to mail paying the Docket No. R97-1 Local rates. This is stated explicitly in Note [3] to each workpaper and is further stated in my testimony on page 41, lines 2 and 3.

There are no other documents or workpapers showing percent increases for BPM currently paying the Local rate.

DECLARATION

I, James M. Kiefer, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

A handwritten signature in black ink that reads "James M. Kiefer". The signature is written in a cursive style and is positioned above a solid horizontal line.

Dated: 3-14-00

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 "Scott L. Reiter", is written over a solid horizontal line.

Scott L. Reiter

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March 14, 2000