

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

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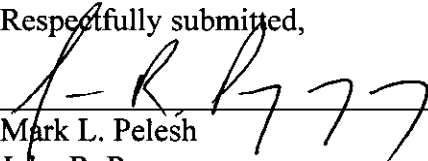
POSTAL RATE AND FEE CHANGES, 2000)

Docket No. R2000-1

**SECOND SET OF INTERROGATORIES OF
ASSOCIATION OF AMERICAN PUBLISHERS
TO USPS WITNESS CRUM (AAP/USPS-T27-13-36)**

Pursuant to Section 25 and 26 of the Commission's Rules of Practice and Procedure, the Association of American Publishers (AAP), hereby submits the following interrogatories and request for production of documents to USPS witness Crum (USPS-T-27). AAP incorporates by reference the instructions in OCA interrogatories OCA/USPS-1-14 (filed January 24, 2000). If the designated witness is unable to respond to any interrogatory, we request a response by some other qualified witness.

Respectfully submitted,

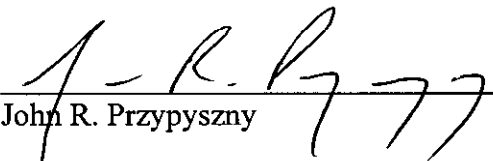


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CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document, by First-Class Mail, upon the participants in this proceeding.



John R. Przepyszny

Date: March 21, 2000

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

AAP/USPS-T27-13 With respect to the Bound Printed Matter Entry Survey (the “Survey”) provided with LR-I-109 (Bound Printed Matter Characteristics Study (the “Study”)), please confirm that the percentage of total BPM pieces reported in the Survey as Destination SCF pieces (15.58%) are all predicted to qualify for the Postal Service’s proposed Destination SCF discount recommended for BPM in this case by Postal Service witness Kiefer (USPS-T-37). Explain any answer that does not confirm this statement.

AAP/USPS-T27-14 With respect to the Bound Printed Matter Entry Survey provided with LR-I-109, please confirm that the percentage of total BPM pieces reported in the Survey as Destination DDU pieces (7.17%) are all predicted to qualify for the Postal Service’s proposed Destination DDU discount recommended for BPM in this case by Postal Service witness Kiefer (USPS-T-37). Please explain any answer that does not confirm this statement.

AAP/USPS-T27-15 Please confirm that at the time the BPM Mail Characteristics Study provided in LR-I-109 was conducted, the Postal Service had not determined or finalized the mail makeup and entry requirements that BPM mail will be required to meet in order to receive the DSCF and DDU discounts proposed by Postal Service witness Kiefer (USPS-T-37). Please explain any answer that does not confirm this statement.

AAP/USPS-T27-16 Please state when the Postal Service will finalize the mail makeup and entry requirements that BPM mail will be required to meet in order to receive the DSCF and DDU discounts proposed by witness Kiefer (USPS-T-37). If such requirements are known, please provide the actual requirements.

AAP/USPS-T27-17 In LR-I-109, under the heading “Survey Instruments,” you state that it was necessary to develop a seventh survey form specifically for a particular mailer. Please explain why this mailer’s BPM volume could not be captured in one of the other six survey forms used in the Study.

AAP/USPS-T27-18 In LR-I-109, under the heading “Survey Instruments,” the Study states that “[i]n all, seven different survey forms were used to gather data, with their development based on DMM rules for mail containerization and presentation.” With respect to each form, please list and summarize the relevant DMM rules for containerization and presentation that were

relied upon in developing the forms. Please provide hard-copies of each these forms as the forms could not be downloaded from the electronic version of LR-I-109 obtained by AAP.

AAP/USPS-T27-19 With respect to the forms used in LR-I-109, please list each form that could be used to capture a trailer load of BPM mail, not in sacks, that was loaded on pallets. Explain the circumstances that would lead to the use of each possible form for this mail. Please provide hard-copies of each of these forms.

AAP/USPS-T27-20 In LR-I-109 under the heading “Piece Controls,” the Study states that “[p]ieces from each office are first inflated to office totals from FY 1998 by the presort rate paid (basic bulk rate and carrier route rate).” With respect to this statement, please explain how the Survey would capture and inflate piece volumes for single piece BPM mail. Please state how many observations of single piece BPM mail and how many actual pieces of such mail were captured in the Survey results.

AAP/USPS-T27-21 Please provide the number of observations and the number of pieces of single piece BPM mail that were captured in the Survey that were single pieces mailed by the Postal Service back to BPM mailers in connection with the return of books.

AAP/USPS-T27-22 Please provide the number of observations and the number of pieces of non-single piece BPM mail that were captured in the Survey that were pieces mailed by the Postal Service back to BPM mailers in connection with the return of books.

AAP/USPS-T27-23 With respect to the LR-I-109, please assume that a trailer load of BPM mail on pallets is physically delivered to the Postal Service at a BMC and that this trailer load was recorded in the BPM Survey. Please identify and list each row and column combination found in Attachment H of your testimony where this mail would be recorded. Please explain the criteria used to determine the row and column combination of Attachment H where this mail would be recorded.

AAP/USPS-T27-24 With respect to the LR-I-109, please assume that a trailer load of BPM mail on pallets is physically delivered to the Postal Service at an SCF and that this trailer load was recorded in the BPM Survey. Please identify and list each row and column combination found in Attachment H of your testimony where this mail would be recorded. Please explain the criteria used to determine the row and column combination of Attachment H where this mail would be recorded.

AAP/USPS-T27-25 With respect to the LR-I-109, please assume that a trailer load of BPM mail on pallets is physically delivered to the Postal Service at a DDU and that this trailer load was recorded in the BPM Survey. Please identify and list each row and column combination found in Attachment H of your testimony where this mail would be recorded. Please explain the criteria used to determine the row and column combination of Attachment H where this mail would be recorded.

AAP/USPS-T27-26 With respect to LR-I-109, did the Survey in any way identify or even consider specific exceptions to the normal BPM acceptance policies that may have been negotiated between a mailer and the local representatives of the Postal Service? Please explain the manner in which this possibility was addressed by the Survey.

AAP/USPS-T27-27 With respect to LR-I-109, assume a trailer load of BPM mail is physically delivered by a mailer to the Postal Service at an SCF. Please explain fully how the BPM Survey would have recorded the destination entry location for any BPM mail delivered by the mailer that does not qualify for the proposed destination SCF discount.

AAP/USPS-T27-28 With respect to LR-I-109, assume a trailer load of BPM mail is physically delivered by a mailer to the Postal Service at a DDU. Please explain fully how the BPM Survey would have recorded the destination entry location for any BPM mail delivered by the mailer that does not qualify for the proposed destination DDU discount.

AAP/USPS-T27-29 In LR-I-109 under the heading “Piece Controls,” the Study states that “[p]ieces from each office are first inflated to office totals from FY 1998 by the presort rate paid (basic bulk rate and carrier route rate).” With respect to this statement:

- (a) For each office surveyed, please provide the exact period during which the Survey observations were made.
- (b) Please provide workpapers and supporting calculations showing how these pieces from each office were first inflated to individual office totals from FY 1998 and then inflated to all of BPM for FY 1998.

AAP/USPS-T27-30 Please refer to Attachment I, Table 1 of your testimony. With respect to the Direct Talley IOCSs Costs by Function that are shown at rows (1) through (4), please provide (in Excel spreadsheets if possible), the underlying IOCS tally information for all underlying mail processing activities that were totaled to produce the tallies shown for each of

the 52 cost pools shown in column (1), column (2), column (3) and column (4). Please provide separate subtotals for each column.

AAP/USPS-T27-31 In LR-I-109, under the heading “Piece Controls,” the Study states that “[v]olumes associated with the mailer’s permit numbers are deducted from the appropriate offices and strata before sampled pieces are inflated to national pieces.” Since the Survey was conducted in FY 99, please explain fully how the Postal Service deducted FY 99 volumes associated with mailer’s permit numbers from FY 1998 office totals.

AAP/USPS-T27-32 In LR-I-109, under the heading “Estimation Procedures,” the Study states that “[i]n the final results, strata 2 and 3 are combined. Given the especially low response rate from stratum 3, it was determined that it was inadvisable to represent its mail volume by the single mailing sampled from that strata during the survey period.” With respect to this statement:

(a) Please confirm that there was only one mailing sampled from stratum 3 during the survey period.

(b) If you confirm that there was only mailing sampled from stratum 3 during the survey period, please state whether there is any way to measure the standard error of BPM mail sampled from stratum 3. Please explain your answer fully and provide any standard error calculations for BPM from stratum 3.

AAP/USPS-T27-33 With respect to LR-I-109, please state the number of Survey observations and the number of separate mailers whose BPM destination entry profiles were recorded as “BMEU Verified Drop Shipments.”

AAP/USPS-T27-34 With respect to LR-I-109, please state the number of Survey observations and the number of separate mailers whose BPM destination entry profiles were recorded as “Plant Verified Drop Shipments.”

AAP/USPS-T27-35 In LR-I-109, under the heading “Zone Calculation and Entry Profile Determination,” the Study states that “[e]ntry and destination ZIP codes determine the entry profile.” With respect to this statement, please explain fully how entry ZIP codes were determined for BPM that entered postal facilities on pallets. In particular, please explain how the Survey would determine the entry level zip code for a single pallet of BPM mail that was delivered by the mailer to the Postal Service at a SCF but was destined for another BMC service area.

AAP/USPS-T27-36 Appendix A of LR-I-109 provides “Standard Error Estimates” for various volume estimates in the BPM Survey. With respect to each of these “Standard Error Estimates”:

- (a) Please provide all confidence intervals and statistical tests that were conducted for any and all tables contained in Appendix A.
- (b) Please provide all underlying data that were used to produce the tables provided in Appendix A. If possible, please provide this data in Excel spreadsheet form.