

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 UNITED STATES POSTAL SERVICE WITNESS FRONK
TO INTERROGATORY OF PITNEY BOWES
(PB/USPS-T33-1(d))

The United States Postal Service hereby provides the response of witness Fronk to the following interrogatory of Pitney Bowes: PB/USPS-T33-1(d), filed on March 7, 2000).

Parts (a)-(c) of T33-1 have been redirected from witness Fronk to witness Miller for response. T33-2 has been redirected to the Postal Service for response.

PB/USPS-T33-2(d) 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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March 21, 2000

RESPONSE OF U.S. POSTAL SERVICE WITNESS FRONK
TO INTERROGATORIES OF PITNEY BOWES

PB/USPS-T33-1. Your testimony at page 19, lines 2-4, states that "[c]onsistent with precedent, the discounts the Postal Service is proposing here use the same approach as in Docket No. R97-1, that is, the bulk metered benchmark is used in conjunction with mail processing and delivery costs to measure costs avoided."

- a. For (i) Base Year 1998 and (ii) Test Year 2001, what is the estimated unit cost of First-Class bulk metered mail (as defined in footnote 2 at page 18 of your testimony)?
- b. For (i) Base Year 1998 and (ii) Test Year 2001, what is the estimated unit cost of *all* First-Class single piece nonpresort mail (i.e. *including* bulk metered mail)?
- c. For (i) Base Year 1998 and (ii) Test Year 2001, what is the estimated unit cost of all First-Class single piece nonpresort *excluding* bulk metered mail?
- d. For base Year 1998, what was the volume of bulk metered mail (as defined in footnote 2 at page 18 of your testimony)?

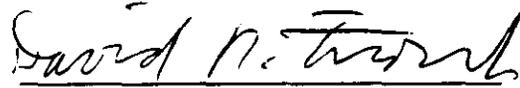
RESPONSE:

(a) –(c) Redirected to witness Miller.

(d) The Postal Service does not maintain data which separate bulk metered mail that paid the single-piece rate from nonbulk metered mail that paid the single-piece rate. The bulk metered mail benchmark represents a pricing reference point to identify workshare cost savings.

DECLARATION

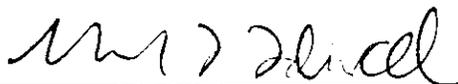
I, David R. Fronk, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.


David R. Fronk

Dated: 3-21-00

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 cursive script, appearing to read "Michael T. Tidwell", written in black ink on a white background.

Michael T. Tidwell

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