

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  
TO INTERROGATORY OF ABA&NAPM  
REDIRECTED FROM WITNESS FRONK

The United States Postal Service hereby provides its responses to the following interrogatory of American Bankers Association and National Association of Presort Mailers, which was filed on March 8, 2000: ABA&NAPM/USPS-T33-12. The interrogatory has been redirected from witness Fronk to the Postal Service for response.

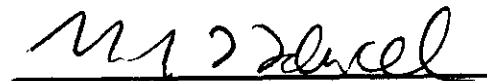
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



Michael T. Tidwell

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2998 Fax -5402  
March 22, 2000

**RESPONSE OF THE U.S. POSTAL SERVICE  
TO INTERROGATORIES OF ABA&NAPM  
REDIRECTED FROM WITNESS FRONK**

**ABA&NAPM/USPS-T33-12. What is the Postal Service's "need for continued bulk mailer participation in that automation Program" noted on page 19, lines 14-15?**

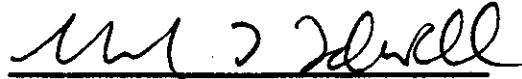
- (a) Is there a lack of capacity in automation equipment to handle the 45 billion pieces of First Class letter mail now processed in the private sector?**
- (b) Does the Postal Service envision reducing the capacity of the private sector to process First Class Mail in the future, given its statement that the value of worksharing to the Postal Service has peaked?**

**RESPONSE:**

- (a) Note that the nearly 45 billion pieces of workshared mail referred to by witness Fronk at page 34, line 3, includes all shapes of mail, not just letters. If all or part of that 45 billion pieces of workshared mail were to revert to the Postal Service for processing, the impact it would have would depend on a number of factors, including which mail processing plants would be affected. Please see the response of witness Miller to ABA&NAPM-T24-9. Clearly, if 45 billion pieces of mail were to suddenly revert to the Postal Service, it would pose capacity difficulties.**
- (b) The premise of this question is flawed because it mischaracterizes the testimony of witness Fronk. Witness Fronk did not assert that the value of worksharing to the Postal Service has peaked. Instead, he stated, "As I indicated earlier, if the costs presented in this docket are the beginning of a new cost trend indicating that the value of worksharing to the Postal Service has peaked, then the mailing community might anticipate smaller discounts in the future" (USPS-T-33, page 27 at lines 11-14). Also, see his response to ABA&NAPM/USPS-T33-20.**

**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 "Michael T. Tidwell", written over a horizontal line.

Michael T. Tidwell

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2998 Fax -5402  
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