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

POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

Mar 23

Docket No. R2000-1

POSTAL RATE AND FEE CHANGES, 2000)

SECOND SET OF INTERROGATORIES OF ASSOCIATION OF AMERICAN PUBLISHERS TO USPS WITNESS MAYES (AAP/USPS-T32-11-12)

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 Mayes (USPS-T-32). 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,

marle J. Pula

Mark L. Pelesh John R. Przypyszny Drinker Biddle & Reath LLP 1500 K Street, NW Suite 1100 Washington, DC 20005 Telephone: (202) 842-8800

Counsel for Association of American Publishers

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. Trypyszny

Date: March 23, 2000

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INTERROGATORIES OF ASSOCIATION OF AMERICAN PUBLISHERS TO UNITED STATES POSTAL SERVICE WITNESS MAYES

AAP/USPS-T32-11 Please refer to your response to AAP/USPS-T32-2. In your response you state that "a proposed increase in the rates of 18 percent represents significant mitigation in the rate impact." With respect to your response:

(a) Please confirm that the 18 percent increase referred to by your response is actually 18.1% and represents only an average increase for BPM.

(b) Please confirm that for Basic Presort BPM the Postal Service is seeking a rate increase of up to 25.9%.

(c) Please explain what is meant by the phrase "significant mitigation."

(d) Please state whether an increase of 25.9%, instead of the 18% referred to by your response, also constitutes significant mitigation in the rate impact. If your response is yes, please explain.

(e) Please provide any documents which address the effect that the proposed BPM rate increases might have on mailers and the future viability of the BPM subclass.

(f) Please state whether a 25.9% increase constitutes rate shock.

(g) Please identify the sources and reasons for an increase in BPM attributable costs of 45 percent and explain why the increase in attributable costs for BPM so far exceeded the rate of inflation for the time period cited in your response.

(h) Please identify the portion of the increase in costs that "reflects some differences in costing methodology," and describe what those differences in costing methodology were.

AAP/USPS-T32-12 Please refer to your response to AAP/USPS-T32-9. In your response you state that the most recent volume data that you are aware shows that in FY 1997 about 52% of Bound Printed Matter pieces constituted books. You state that for FY 1996, the comparable volume figure also was 52%. With respect to your response:

(a) Please reconcile the 52% volume figures provided in your response, with the 44.3% FY
1997 volume figure and 36.8% FY 1996 volume figure provided by Postal Service witness
Tolley in his response to AAP/USPS-T6-6.

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(b) Did you rely upon the 52% volume figure in determining the degree to which Criterion 8 should be applied to BPM?

(c) Please explain how you derived the 52% volume figure and how it relates to the attachments provided with your response. Please explain the origin of the attachments and whether they were prepared for purposes of your response or are part of another document generated by the Postal Service. If the attachments are part of another document generated by the Postal Service, please provide copies of those documents.

(e) Please provide any FY 1998 or FY 1999 volume data that pertains to the proportion of BPM volume that represents books.