

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

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POSTAL RATE AND FEE CHANGES, 2000)

POSTAL RATE AND FEE CHANGES, 2000
Docket No. R2000-1
OFFICE OF THE SECRETARY

AMAZON.COM, INC.
FIRST INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS TO UNITED STATES POSTAL SERVICE
WITNESS MICHAEL K. PLUNKETT (AMZ/USPS-T36-1-14)
(March 23, 2000)

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, Amazon.com, Inc. hereby submits interrogatories and requests for production of documents. If necessary, please redirect any interrogatories and/or requests to a more appropriate Postal Service witness.

Respectfully submitted,




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CERTIFICATE OF SERVICE

I hereby certify that I have this day served this document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.



William J. Olson

March 23, 2000

AMZ/USPS-T36-1.

Please refer to Attachment I to your testimony, pages 1-6. The note that is below the rate table on each page refers to workpapers from USPS-T-37 (Kiefer). Please confirm that you are relying on witness Keifer's workpapers. If you do not confirm, please supply the correct reference.

AMZ/USPS-T36-2.

Please refer to Attachment I, page 6.

- a. Please confirm that the proposed DSCF rate for a 30-pound package is \$3.67.
- b. Please confirm that the Request of the United States Postal Service for a Recommended Decision on Changes in Rates of Postage and Fees for Postal Services (January 12, 2000), Attachment B, page 41, shows a proposed DSCF rate of \$3.94 for a 30-pound parcel.
- c. Please resolve the above-cited differences.

AMZ/USPS-T36-3.

Please refer to Attachment I, page 6.

- a. Please confirm that you propose DSCF rates for 36- and 37-pound parcels of \$3.94 and \$3.91, respectively.
- b. Please confirm that these same rates are shown in the Request of the United States Postal Service for a Recommended Decision on Changes in Rates of Postage and Fees for Postal Services (January 12, 2000).

- c. Please explain why charging a higher rate for a 36-pound parcel than for a 37-pound parcel is not anomalous.

AMZ/USPS-T36-4.

Please refer to Attachment H to your testimony. For each dollar amount shown in lines 6-35, please indicate whether it is a per piece or per pound amount.

AMZ/USPS-T36-5.

Please refer to Attachment H to your testimony.

- a. Lines 25 and 34 reference USPS-T-27. Please provide precise citations (*i.e.*, page and line number or table) where each referenced datum can be located.
- b. At line 34, please explain the entry "5.798" under the passthrough column. Is this a percentage? If not, what is it?
- c. Line 28 references USPS-T-28. Please provide precise citations (*i.e.*, page and line number or table) where each referenced datum can be located.
- d. Lines 6, 8, 10, 12, 14, 18, 20, 22, 24, 29, 31, and 33 reference USPS-T-26. Please provide precise citations (*i.e.*, page and line number or table) where each datum can be located.

AMZ/USPS-T36-6.

Please refer to Attachment G, page 5.

- a. Please provide a specific citation (*i.e.*, page and line number or table) to USPS-T-26 for the cost/cubic foot.
- b. The note states that “cube per piece by weight for intra-BMC” is from USPS-T-16 (Degen), Exhibit B. Please provide a copy of witness Degen’s Exhibit B, or correct the citation.
- c. Please confirm the citation to USPS-T-37 (Kiefer), WP I.E.

AMZ/USPS-T36-7.

Please confirm that current and proposed Parcel Post DDU Destination Entry rates are identical. If you do not confirm, please identify where they differ.

AMZ/USPS-T36-8.

- a. Please confirm that your Parcel Post DDU Destination Entry **preliminary** rates (Attachment I, p. 3) are \$0.12 to \$0.36 less than your **proposed** rates. If you do not confirm, please identify where this is not correct and supply the correct amount(s).
- b. Please confirm that your Parcel Post DDU **preliminary** rates are 10 to 17 percent lower than your **proposed** rates. If you do not confirm, please identify where this is not correct and supply the correct percent(s).

- c. Please refer to pages 13-14 of your testimony, where you state that for the newest rate categories, rate changes were restricted so that no rate could change by more than 2 percent in either direction. Please identify the circumstances under which you would have reduced your final proposed rates to reflect your lower Parcel Post DDU Destination Entry preliminary rates.
- d. In your opinion, are the underlying data and cost modeling for Parcel Post rate design in this docket superior, inferior, or essentially identical to the underlying data and cost modeling used in Docket No. R97-1? Please explain your answer.
- e. Why did you formulate preliminary rates for Parcel Post DDU Destination Entry? What function did they serve?

AMZ/USPS-T36-9.

- a. Please confirm that your proposed rates for DSCF Destination Delivery Parcel Post for mailpieces over 36 pounds correspond to your preliminary rates set forth at Attachment I, page 3. If you do not confirm, please identify where they differ.
- b. Please explain why your proposed rates reflect current rates for DSCF Destination Delivery Parcel Post for mailpieces weighing from 2 to 36 pounds, and preliminary rates for higher weight rates.

AMZ/USPS-T36-10.

Please refer to Attachment G, pages 4 and 5. Why are DDU transportation discounts per piece calculated from transportation costs per piece from local intra-BMC, while DSCF transportation costs are calculated from DBMC transportation costs per piece in zones 1&2?

AMZ/USPS-T36-11.

- a. Please confirm that the references to USPS-T-37 in the notes to the tables in your Attachments refer to Docket No. R97-1, USPS-T-37. If you do not confirm, please provide a specific citation to witness Kiefer's testimony in this docket.
- b. Please confirm that the preliminary rates for DDU Parcel Post cannot be calculated following the procedure outlined at the bottom of Attachment I, page 3, and provide a detailed explanation of how preliminary rates for DDU Parcel Post may be calculated.

AMZ/USPS-T36-12.

- a. Why does the DDU transportation cost per cubic foot increase from \$0.0660 in Docket No. R97-1 (USPS-T-37, Docket No. R97-1, WP I.E., p. 11), to \$0.0908 in this docket (USPS-T-36, Attachment G, p. 5), an increase of 37.6 percent?

- b. Why does the DSCF transportation cost per cubic foot increase from \$0.3997 in Docket No. R97-1 (USPS-T-37, Docket No. R97-1, WP I.E., p. 9), to \$0.5362 in this docket (USPS-T-36, Attachment G, p. 4), an increase of 34.2 percent?

AMZ/USPS-T36-13.

Has a Parcel Post per piece rate element been calculated in this docket, corresponding to USPS-T-37, WP I.I, page 2, in Docket No. R97-1? If so, please provide a reference to where this datum can be found.

AMZ/USPS-T36-14.

For TY 2001, what is the coverage on parcels entered at the DDU and DSCF rates?