

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


Docket No. R2000-1

**Major Mailers Association's Follow Up Interrogatories
And Requests For Production Of Documents
To USPS Witness Virginia J. Mayes**

Pursuant to Rules 25, 26, and 27 of the Commission's Rules of Practice, Major Mailers Association herewith submits the following follow up interrogatories and document production requests to United States Postal Service witness Virginia J. Mayes: **MMA/USPS-T32-2-3**. If the designated witness is unable to answer any of these questions, please direct them to the appropriate witness who can provide a complete response.

Respectfully submitted,
Major Mailers Association

By:


Michael W. Hall
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Round Hill, Virginia 20141
540-554-8880
Counsel for
Major Mailers Association

Dated: Round Hill, VA
April 4, 2000

**Major Mailers Association's Follow Up Interrogatories
And Requests For Production Of Documents
To USPS Witness Virginia J. Mayes**

MMA/USPS-T32-2 Please refer to your response to Interrogatory MMA/USPS-T32-1. There you explain where to find postal costs under the Commission's cost methodology for the test year.

- (a) Please confirm the following cost figures (in \$000's) including contingency (but not prior year losses) for the test year before rates. If you cannot confirm these cost figures, please provide the correct cost figures and the derivation and/or source thereof.

	(1) PRC TY BR <u>LR-I-131, Vol H, Table E</u>	(2) USPS TY BR <u>Exhibit USPS-32A</u>	(3) Difference <u>(1) - (2)</u>
Variable Costs	\$ 45,317,267	\$ 41,754,751	\$ 3,562,516
Institutional Costs	\$ 24,592,811	\$ 27,992,970	\$ (3,400,159)
Total Costs	\$ 69,910,078	\$ 69,747,721	\$ 162,357

- (b) If you confirm the cost figures in part (a), please explain why the total costs reported using the Commission's cost methodology are \$162.357 million higher than the total costs reported using the Postal Service's costing methodology. If you did not confirm the cost figures in part (a), please explain any difference in the total costs for your corrected cost figures, if there is a difference.
- (c) Please confirm the following cost figures (in \$000's) including contingency (but not prior year losses) for the test year after rates. If you cannot confirm these cost figures, please provide the correct cost figures and the derivation and/or source thereof.

	(1) PRC TY AR <u>LR-I-131, Vol J, Table E</u>	(2) USPS TY AR <u>Exhibit USPS-32B</u>	(3) Difference <u>(1) - (2)</u>
Variable Costs	\$ 44,387,115	\$ 40,891,695	\$ 3,495,420
Institutional Costs	\$ 24,584,124	\$ 27,978,701	\$ (3,394,577)
Total Costs	\$ 68,971,239	\$ 68,870,396	\$ 100,843

- (d) If you confirm the cost figures in part (c), please explain why the total costs incurred reported by using the Commission's cost methodology are \$100.843 million higher than if reported by using the Postal Service's costing methodology. If you did not confirm the cost figures in part (c),

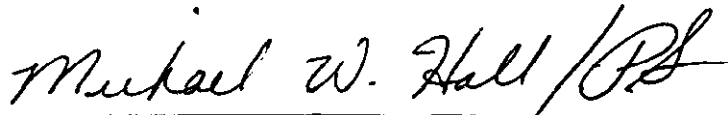
please explain any difference in the total costs for your corrected cost figures, if there is a difference.

MMA/USPS-T32-3 Please refer to your response to Interrogatory MMA/USPS-T32-1 and to LR-I-130A (Revised on 3-24-00) where you show the attributable costs using the Commission's cost methodology for the base year. The total attributable cost for Periodicals appears to be in error and the total cost for the test year, including institutional costs, appears to be missing. Please provide a revised LR-I-130A with those corrections and additions.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing discovery request upon the United States Postal Service, Ted P. Gerarden, the Designated Officer of the Commission, and participants who requested service of all discovery documents, in compliance with Rules 12, 26, and 27 of the Commission's Rules of Practice.

Dated this 4th day of April 2000.

Handwritten signature of Michael W. Hall in cursive script, including a stylized flourish at the end.

Michael W. Hall