

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 TOLLEY TO INTERROGATORY OF
THE RECORDING INDUSTRY ASSOCIATION OF AMERICA
(RIAA/USPS-T6-2)

The United States Postal Service hereby provides the response of witness Tolley to the following interrogatory of the Recording Industry Association of America: RIAA/USPS-T6-2, filed on April 3, 2000.

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



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April 17, 2000

RESPONSE OF POSTAL SERVICE WITNESS TOLLEY
TO INTERROGATORIES OF RECORDING INDUSTRY ASSOCIATION OF AMERICA

RIAA/USPS-T-6-2

(a) Please confirm that at the proposed rates, a Standard A parcel weighing .617246596 pounds (9.875945537 ounces) will pay postage of 68 cents if entered at the 3/5-Digit pound plus per piece rate set out at Request the United States Postal Service for a recommended decision on changes in rates of postage and fees for Postal services, attachment B page 13 calculated as follows (.617246596 [weight] * 66.1 [pound rate]) plus 12.2 [per piece rate] plus 15 [surcharge less barcode discount]. If you do not confirm, please show the calculation by which you determine the correct postage for mail of that weight in that rate cell.

(b) Accept, subject to check, that table 13 of USPS-LR-I-102 shows that there are 374,484,000 Standard A regular parcels weighing 10 ounces or more and representing 46.141847 percent of the total Standard A regular parcels reported for FY 1998. Are these data consistent with your answer to RIAA/USPS-T-6-1(b)? Please explain.

RESPONSE:

(a) Confirmed that a non-dropshipped prebarcoded 3/5-digit presorted Standard A regular parcel weighing 9.875945537 ounces would cost 68 cents under the Postal Service's proposed rates in this case.

(b) I can confirm that Table 13 of USPS-LR-I-102 shows that there were 374,484,000 Standard A regular parcels weighing 10 ounces or more in 1998. These data are consistent with my answer to RIAA/USPS-T-6-1(b).

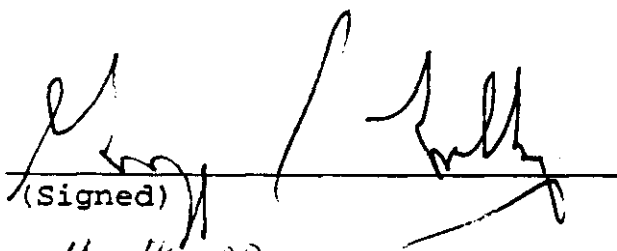
Not all Standard A regular parcels weighing 10 ounces or more could be sent less expensively as Standard B Media Mail. In order for mailers of Standard A parcels to find Standard B Media Mail rates more attractive, these parcels would have to be presorted to the 5-digit level and would have to be sent as part of a mailing which contained at least 500 pieces, all of which were presorted to the 5-digit level. It is my understanding that these requirements significantly limit the number of Standard A parcels that might find it advantageous to shift to Standard B Media Mail under the Postal Service's proposed rates. In addition, because of dropship discounts, which are

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available for Standard A mail but are not available for Standard B Media Mail, some Standard A Regular parcels weighing 10 ounces or more will be priced below Standard B Media Mail, regardless of presort level. Finally, some Standard A parcels, that would otherwise be possible candidates to migrate to Standard B Media Mail as a result of the Postal Service's proposed rates, may not qualify for Standard B Media Mail due to content restrictions associated with Standard B Media Mail.

DECLARATION

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



(Signed)
4-14-00

(Date)

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.



Eric P. Koetting

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