

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

UNITED STATES POSTAL SERVICE
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO
E.STAMP WITNESS PRESCOTT
(USPS/E.STAMP-T-2-1-4)

Pursuant to rules 25 and 26 of the Rules of Practice and procedure, the United States Postal Service directs the following interrogatories and requests for production of documents to E.Stamp witness Prescott: USPS/E.STAMP-T-2-1-4

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



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June 8, 2000

USPS/E-STAMP-T2-1 On page 4 line 19 of your testimony you state that E-Stamp envelopes include 9-digit barcodes. Please confirm that these envelopes actually contain 11-digit Delivery Point Barcodes. If not confirmed, please explain.

USPS/E-STAMP-T2-2 There appears to be a problem in your testimony concerning the use of the term "BMM." Please confirm the following. If not confirmed, please explain the usage of each specified phrase.

- a. On page 7 line 4 the phrase "presorted automation BMM" should be changed to "presorted automation letters."
- b. On page 7 lines 4-5 the phrase "presorted non-automation BMM" should be changed to "presorted non-automation letters."
- c. On page 7 line 5 the phrase "BMM in LR-I-81 is" should be changed to "presort letters in LR-I-81 are."
- d. On page 7 line 7 the phrase "presorted non-automated BMM" should be changed to "presorted non-automated letters."
- e. In Table 1, the phrase "Presorted BMM" should be changed to "Presorted Letters."
- f. In Table 1, the phrase "3. Cost Savings for Presorted Automation BMM" should be changed to "3. Cost Savings for Presorted Automation Letters."
- g. In Table 1, the phrase "5. Presorted Non-Automation BMM" should be changed to "5. Presorted Non-Automation Letters."
- h. On page 8 line 17 the phrase "automation-compatible BMM" should be changed to "automation-compatible presort letters."
- i. On page 8 line 18 the phrase "presortation element of BMM equal" should be changed to "presortation element equals."
- j. On page 9 lines 1-2 the phrase "between non-automation metered letters and automation BMM letters" should be changed to "between BMM letters and non-automation and automation presort letters."
- k. In Table 2 footnote 1 the phrase "nonautomation presort BMM" should be changed to "nonautomation presort letters."

USPS/E-STAMP-T2-3 In Table 1 of your testimony, you calculate a "Cost Difference Related to Presortation" of 0.13 cents by comparing a BMM letter to a non-automation presort letter.

a. Please confirm that in his response to E-STAMP/USPS-T24-1a (Tr.7/3086-87), witness Miller explained why the cost difference between Bulk Metered Mail Letters and nonautomation presort letters is not completely attributable to the fact that the latter mail pieces are presorted. If not confirmed, please explain.

b. Given witness Miller's comments, please explain why you feel this cost difference is fully attributable to presortation.

USPS/E-STAMP-T2-4 In Table 1 of your testimony you calculate a "Cost Savings for Presorted Automation" of 6.28 cents by comparing a nonautomation presort letter piece to an average automation non-carrier route presort letter.

a. Please confirm that nonautomation presort letters can weigh up to 13 ounces while automation non-carrier route presort letters are limited to 3.3103 ounces. If not confirmed, please explain.

b. Please confirm that the average automation non-carrier route presort letter mail processing unit costs upon which you rely in Table 1 (4.06 cents) include the costs for automation basic presort letters, automation 3-digit presort letters, and automation 5-digit presort letters. If not confirmed, please explain.

c. Given that these two mail types exhibit different mail piece characteristics and include varying levels of presortation, how does your calculation isolate the savings due to presortation?

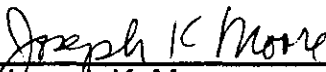
d. Does this calculation attempt to isolate the savings associated with a specific presort level? If so, to which presort level are you referring?

e. Please confirm that PC postage users will not be presorting mail pieces. If not confirmed, please explain.

f. Given that PC postage users will not be presorting mail pieces to which they apply postage using E-Stamp products, please justify the total cost savings of 6.15 cents in Table 1 that is so heavily dependent upon cost differences associated with mail piece presortation.

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.



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