

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
PITNEY BOWES WITNESS HALDI
(USPS/PB-T2-3-10)

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 Pitney Bowes witness Haldi: USPS/PB-T2-3-10.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


Michael T. Tidwell

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.


Michael T. Tidwell

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2998 Fax -5402
June 9, 2000

USPS/PB-T2-3.

To your knowledge, has the Postal Rate Commission formally addressed the issue whether to include stamp production, procurement or distribution costs as part of the basis for defining "cost avoidance" or "worksharing" for ratemaking purposes?

USPS/PB-T2-4.

- (a) Identify and describe all factors other than changes in postal rates which would motivate mailers to use meters to affix postage instead of stamps?
- (b) Have any studies, surveys, or market research been conducted by or for Pitney Bowes on this subject? If so, please provide copies of all documents related to such studies, surveys, and research.

USPS/PB-T2-5.

What percentage of current users of postage meter technology use it, in part, to minimize their own costs associated with obtaining and maintaining a stamp inventory and affixing stamps to mail pieces?

USPS/PB-T2-6.

Please identify and describe all mail processing differences between two properly posted single-piece First-Class Mail letters which are identical in every respect, except that one is metered and the other has a stamp affixed.

USPS/PB-T2-7.

Please confirm that postage meters allow presort bureaus to increase their flexibility in affixing postage to different First-Class Mail letters (within a bulk mailing) which can qualify for different rate category discounts, based upon the characteristics of particular letters within the mailing.

USPS/PB-T2-8.

At pages 16-17 of your testimony, you state that "[n]o additional discount is proposed here" for "mailings above a minimum size that are barcoded and or presorted." Explain the basis for your proposal to limit your proposed discount to single-piece metered mail. Why do you exclude metered mail entered in bulk?

USPS/PB-T2-9.

In your testimony at page 8, lines 16-17, you state that "*stamps are now the most expensive method* that a postal administration has for collecting revenues and enabling customers to evidence payment of postage." (Emphasis in original.)

- (a) Is it your testimony that the collection of postage and enabling customers to evidence payment of postage on Business Reply Mail and Qualified Business Reply Mail is less expensive on a unit basis than it is for stamped First-Class Mail letters. If so, please quantify that difference and provide all calculations and documentation supporting such calculations.
- (b) In reference to your testimony at page 9, lines 9-10, please confirm that, in addition to postage, the current QBRM per-piece fee is 5 cents, not 3 cents.

USPS/PB-T2-10.

In your testimony at pages 20-21, you compare your proposal for a single-piece metered mail discount with the Courtesy Reply Mail proposals which have been rejected by the Governors.

- (a) Please confirm that your discussion refers to the Courtesy Envelope Mail (CEM) proposals of the Office of the Consumer Advocate which have been recommended by the Commission, but rejected by the Governors.
- (b) Please refer to footnote 15 on page 21 of your testimony. If the Commission recommends the Postal Service's Docket No. R2000-1 34-cent basic First-Class Mail rate and the OCA's Docket No. R2000-1 CEM proposal (OCA-T-7), establishing a 3-cent discount (and a 31-cent rate) for that category of stamped single-piece mail, what rate should the Commission recommend for metered CEM pieces?