

UNITED STATES OF AMERICA
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

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO MAGAZINE PUBLISHERS OF AMERICA, ET AL
WITNESS: RITA D. COHEN (OCA/MPA-T1-1-5)
June 15, 2000

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-1-14 to the United States Postal Service, dated January 24, 2000, are hereby incorporated by reference.

Respectfully submitted,


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OCA/MPA-T-1-1. Please refer to page 21 of your testimony, lines 21 through 22.

You state that the testimony presented by USPS witness Bozzo is "state-of-the-art."

- (a) Please indicate whether you believe that Dr. Bozzo's testimony is long run or short run in its economic modeling analysis.
- (b) Please state whether you believe the economic modeling effort should be long run or short run.
- (c) Please state your understanding of the Commission's findings on the issue of whether the economic modeling effort should be long run or short run.

OCA/MPA-T-1-2. Please refer to page 22 of your testimony, lines 2 through 5.

- (a) Do you believe that witness Bozzo has provided an economic model that is theoretically correct, has included all necessary variables in the analysis, and has used the correct estimating methodology?
- (b) Has Dr. Bozzo complied with the Commission's findings in Docket No. R97-1 on the subject of methodology?
- (c) If the Commission should find that Dr. Bozzo's methodology contains errors, should the study be adopted?
- (d) If your answer to (c), above, is "yes", please explain why you would advocate adopting an incorrect study.
- (e) If your answer to (d), above, is that adoption of Dr. Bozzo's methodology, even though erroneous, represents improvement over the current state of knowledge, please indicate and quantify the level of improvement.

OCA/MPA-T-1-3. Please refer to page 24 of your testimony, lines 19 through 20, and the associated Table 4 on page 25, wherein you assert that certain mail processing activities for which volume variabilites have not been estimated are analogous to certain mail processing activities for which volume variabilities have been estimated.

- (a) In comparing analogous activities at sites for which variabilities have been computed to activities for which variabilities have not been computed, have you gathered comparable data for comparing the sites at which the two types of activities are performed, such as the size of the sites, magnitude of the activities, capital use, geographical location, network position, and other relevant characteristics? If so, please furnish the data.
- (b) Please provide information on site visits during which you developed the above information, including the activity observed, date, location, and all data collected.
- (c) Please indicate how the information collected in (b), above, was analyzed to arrive at your conclusion.

OCA/USPS-T-1-4. Please refer to page 25 of your testimony, lines 9-11, in which you comment on witness Degen's testimony.

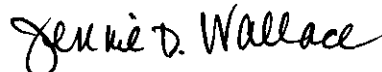
- (a) In your view, does witness Degen's testimony consider the long run or the short run aspects of mail processing?
- (b) Please provide the basis for your understanding.

OCA/USPS-T-1-5. Please refer to page 26 of your testimony, lines 10-13, in which you discuss allied volume variability factors. You advocate that the composite volume variability factor of the sorting operations should be used as an upper bound for the volume variability factors of the allied operations.

- (a) Do you have a study to substantiate this statement? If so, please provide the study.
- (b) Do you have studies, analyses, or position papers to substantiate any of your other suggestions concerning allied volume variability factors? If so, please furnish the studies, analyses, or position papers.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.


JENNIE D. WALLACE

Washington, D.C. 20268-0001
June 15, 2000