

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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Postal Rate and Fee Changes, 2000

Docket No. R2000-1
POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

**NEWSPAPER ASSOCIATION OF AMERICA
INTERROGATORIES TO
MAJOR MAILERS ASSOCIATION WITNESS
RICHARD E. BENTLEY (NAA/MMA-T1-1-2)
June 16, 2000**

The Newspaper Association of America hereby submits the attached interrogatories to Major Mailers Association witness Richard E. Bentley (NAA/MMA-T1-1-2) and respectfully requests a timely and full response under oath.

Respectfully submitted,

NEWSPAPER ASSOCIATION OF AMERICA

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CERTIFICATE OF SERVICE

I hereby certify that I have this date served the instant document on all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

June 16, 2000

William B. Baker
William B. Baker

NEWSPAPER ASSOCIATION OF AMERICA
INTERROGATORIES TO
MAJOR MAILERS ASSOCIATION WITNESS
RICHARD E. BENTLEY (NAA/MMA-T1-1-2)

NAA/MMA-T1-1. Please refer to page 6 of your testimony where you state that a 33 cent First Class rate, while justifiable under the Postal Service's proposal, would require all other mailers to shoulder the entire \$3.6 billion rate increase which could be "very difficult for all other mailers to do." You also note, at lines 26-27, that retaining the 33 cent stamp while retaining the proposed Standard (A) commercial rates would produce a net revenue loss of about \$1 billion (line 8) and face a "possible \$1.3 billion net revenue shortfall" (line 26). Please reconcile the \$1 billion net revenue loss (from a penny reduction from 34 cents) at line 8 with the \$1.3 billion net revenue shortfall at line 26.

NAA/MAA-T1-2. Please refer to the testimony of DMA *et al.* witness Buc (DMA *et al.*-T1 at 23), which states that if the contingency factor were reduced to 1 percent, the revenue requirement would decline by \$1.01 billion. Note that the cited amount approximately corresponds to the "net revenue loss" that you calculate from a penny reduction in the First Class stamp.

- a. If the Commission were to reduce the contingency factor as recommended by witness Buc (resulting in the reduced revenue requirement calculated by witness Buc), how would that affect your conclusion as to the "difficulty" of retaining a 33 cent stamp? Please explain your answer.
- b. Please provide a revised version of Table 2 reflecting the 33 cent stamp and witness Buc's proposed reduction in the contingency.