

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

RECEIVED

JUN 19 4 51 PM '00

POSTAL RATE AND FEE CHANGES, 2000

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

UNITED STATES POSTAL SERVICE  
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS  
TO MAJOR MAILERS ASSOCIATION WITNESS SALLS  
(USPS/MMA-T3-1-2)

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 MMA witness Salls: USPS/MMA-T3-1-2.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

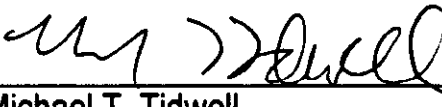
Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



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 19, 2000

### **USPS/MMA-T3-1.**

Table 1 of your testimony (MMA-T-3) presents a comparison of alternative postage costs for an illustrative mailing of 10,000 letters at Postal Service proposed rates. Under the first situation, 10,000 two-ounce letters are mailed at First-Class Mail rates. Under the second situation, the mailing is split into 10,000 one-ounce letters mailed at First-Class Mail rates and 10,000 one-ounce letters mailed at Standard Mail rates.

- (a) Please confirm that First-Class Mail has a higher value of service than Standard (A) Mail and that the postal rates (or postage costs) for the two situations in Table 1 in part reflect the underlying value of service for the First-Class and Standard (A) mail classes. If you cannot confirm, please explain.
- (b) In your opinion, are advertising inserts which accompany a bill in a First-Class Mail piece more likely to be reviewed by the mail recipient than advertising that is sent separately from the bill as Standard (A) mail? Please explain.
- (c) Please confirm that the Standard (A) proposed rate presented is a rate that embeds a worksharing discount for mail entered at BMCs, while the First-Class rate presented does not require this extra worksharing effort. If you cannot confirm, please explain.
- (d) Please confirm that a more comparable proposed Standard (A) rate would be \$0.193 rather than \$0.176 because this higher rate does not reflect a BMC entry discount. If you cannot confirm, please explain.

### **USPS/MMA-T3-2.**

Table 2 of your testimony (MMA-T-3) presents a comparison of alternative postage costs for an illustrative mailing of 10,000 letters at MMA proposed rates. Under the first situation, 10,000 two-ounce letters are mailed at First-Class Mail rates. Under the second situation, the mailing is split into 10,000 one-ounce letters mailed at First-Class Mail rates and 10,000 one-ounce letters mailed at Standard Mail rates.

- (a) Please confirm that First-Class Mail has a higher value of service than Standard (A) Mail and that the postal rates (postage costs) for

the two situations in Table 2 in part reflect the underlying value of service for the First-Class and Standard (A) mail classes. If you cannot confirm, please explain.

- (b) Please confirm that the Standard (A) proposed rate presented is a rate that embeds a worksharing discount for mail entered at BMCs, while the First-Class rate presented does not require this extra worksharing effort. If you cannot confirm, please explain.
- (c) Please confirm that a more comparable proposed Standard (A) rate would be \$0.193 rather than \$0.176 because this higher rate does not reflect a BMC entry discount. If you cannot confirm, please explain.
- (d) Please confirm that if the rate of \$0.193 is used in computing the postage for the second alternative, that the total postage for the second alternative is \$4,590 ( $\$1,930 + \$2,660$ ), or \$90 more than the cost of the first situation. If you cannot confirm, please explain.