

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)

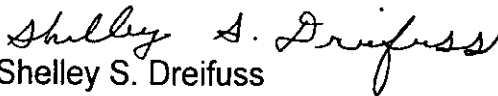
Docket No. R2000-1

ANSWERS OF THE OFFICE OF THE CONSUMER ADVOCATE
TO INTERROGATORIES OF UNITED STATES POSTAL SERVICE
WITNESS: GAIL WILLETTE (USPS/OCA-T7-21-23)
(JUNE 26, 2000)

The Office of the Consumer Advocate hereby submits the answers of Gail Willette to interrogatories of United States Postal Service, dated June 12, 2000. Each interrogatory is stated verbatim and is followed by the response. Interrogatories USPS/OCA-T7-21(e) and 22(b) have been redirected to witness Gerarden.

Respectfully submitted,

TED P. GERARDEN
Director
Office of the Consumer Advocate


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ANSWERS OF OCA WITNESS GAIL WILLETTE
TO INTERROGATORIES USPS/OCA-T7-21-23

USPS/OCA-T7-21.

(a) Please confirm that on June 9, 2000, you presented a paper at the 8th Conference on Postal and Delivery Economics, in Vancouver, British Columbia, and that the title of your paper was, "CEM - A Missed Opportunity?"

(b) Please confirm that, during your presentation, you mentioned the Docket No. R97-1 market research that was conducted by witness Ellard (USPS-RT-14) and discussed by witness Miller (USPS-RT-17) in that proceeding.

(c) Please confirm that in discussing that market research, you indicated that the Postal Service may have had a valid point when it asserted that consumers do not want two stamps. If your response is anything other than an unqualified confirmation, please explain.

(d) Please confirm that you also stated that you thought the market research results were "inconclusive." If your response is anything other than an unqualified confirmation, please explain.

(e) Did anyone within the OCA consider conducting any market research in conjunction with its Docket No. R2000-1 CEM proposal? If not, please explain why market research was not conducted. Please also provide all documents generated in connection with any such discussions or deliberations concerning such market research.

RESPONSE TO USPS/OCA-T7-21:

(a) Confirmed.

(b) Confirmed.

(c) Confirmed.

(d) Confirmed. Also please see my testimony at page 10, lines 17-20. This is the context in which my statement was made.

(e) Redirected to witness Gerarden.

ANSWERS OF OCA WITNESS GAIL WILLETTE
TO INTERROGATORIES USPS/OCA-T7-21-23

USPS/OCA-T7-22.

(a) Please confirm that:

- (1) At the conclusion of your June 9, 2000, presentation at the 8th Conference on Postal and Delivery Economics, in Vancouver, British Columbia, you were asked by an audience member whether you had given any consideration to aligning your CEM proposal with the other single-piece rate proposals that have been presented in this docket, specifically those related to PC postage.
- (2) In response, you indicated that the OCA has had conversations with the other parties that have presented First-Class single-piece proposals in Docket No. R2000-1.

(b) For each intervenor listed below, confirm that the OCA has had discussions with representatives from each party regarding the CEM proposal and/or the intervenor proposal indicated. If not confirmed, please explain. In addition, state the date(s) of those discussions, the person(s) involved in those discussions, the topic(s) discussed, and the conclusion(s) you may have reached. Please provide copies of all notes, records, or other documentation that you may have maintained in connection with these discussions.

- (1) E-Stamp: PC Postage Discount Proposal
- (2) Stamps.com: PC Postage Discount Proposal
- (3) MMA: "P" Rate Proposal
- (4) Pitney Bowes: Meter Mail Discount Proposal

RESPONSE TO USPS/OCA-T7-22:

(a)(1) Confirmed.

(a)(2) Confirmed.

(b) Redirected to witness Gerarden.

ANSWERS OF OCA WITNESS GAIL WILLETTE
TO INTERROGATORIES USPS/OCA-T7-21-23

USPS/OCA-T7-23.

Please confirm that, at the conclusion of your June 9, 2000, presentation at the 8th Conference on Postal and Delivery Economics, the discussant, David Eagles from Canada Post, commented that more attention should be paid to what consumers really want. Do you agree with this comment? If not, please explain why not.

RESPONSE TO USPS/OCA-T7-23:

While I was not present when Mr. Eagles made his comment, I do agree that we should pay attention to what consumers want. Consumers should be allowed to make their own choices whenever possible. In a competitive environment, it is likely that CEM would have been offered long ago, particularly if market research indicated that 30 percent or more of all households were interested. There are numerous examples of consumers responding favorably to discounts.

DECLARATION

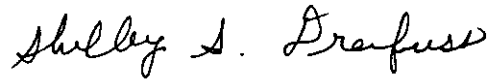
I, Gail Willette, declare under penalty of perjury that the answers to interrogatories USPS/OCA-T7-21-23 of the United States Postal Service are true and correct, to the best of my knowledge, information and belief.

Executed June 26, 2000

Gail Willette

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.

A handwritten signature in cursive script that reads "Shelley S. Dreifuss".

SHELLEY S. DREIFUSS

Washington, DC 20268-0001
June 26, 2000