

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

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POSTAL RATE AND FEE CHANGES

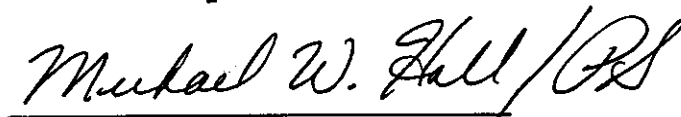
Docket No. R2000-1

**Major Mailers Association's Additional Interrogatories
To USPS Witness Michael W. Miller**

Pursuant to Rules 25 and 26 of the Commission's Rules of Practice, Major Mailers Association herewith submits the following additional interrogatories to United States Postal Service witness Michael W. Miller: **MMA/USPS-T24-22-23.**

Respectfully submitted,
Major Mailers Association

By:



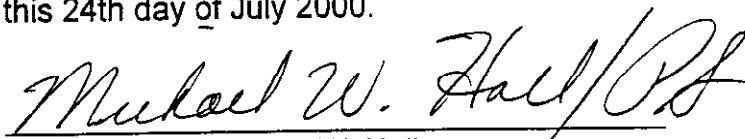
Michael W. Hall
34693 Bloomfield Road
Round Hill, Virginia 20141
540-554-8880
Counsel for
Major Mailers Association

Dated: Round Hill, VA
July 24, 2000

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing discovery request upon the United States Postal Service, Ted P. Gerarden, the Designated Officer of the Commission, and participants who requested service of all discovery documents, in compliance with Rules 12, 26, and 27 of the Commission's Rules of Practice.

Dated this 24th day of July 2000.



Michael W. Hall

**Major Mailers Association's Additional Interrogatories And Requests
For Document Production To USPS Witness Michael W. Miller**

MMA/USPS-T24-22 Please refer to USPS-T-32B and USPS-ST-44W. There the Postal Service provides the original (revised) volume variable costs and the updated volume variable costs for First-Class Mail.

- (a) Please confirm that the original (revised) total volume variable costs (in \$000s) for First Class Single Piece and Workshare letters are 13,326,042 and 5,019,464, respectively. If you cannot confirm, please explain and provide the correct original (revised) volume variable costs.
- (b) Please confirm that the updated total volume variable costs (in \$000s) for First Class Single Piece and Workshare letters are 13,565,269 and 5,081,635, respectively. If you cannot confirm, please explain and provide the correct volume variable costs resulting from the FY 1999 update.
- (c) Please confirm that the USPS projected TYAR volumes (in 000s) for First-Class Single Piece and Workshare letters are 52,877,658 and 46,979,736, respectively. If you cannot confirm, please explain and provide the correct First-Class volumes.
- (d) Please confirm that the USPS original (revised) TYAR unit volume variable costs for First Class Single Piece and Workshare letters are .2520 and .1068 cents, respectively. If you cannot confirm, please explain and provide the correct original (revised) unit volume variable costs.
- (e) Please confirm that the USPS updated TYAR unit volume variable costs for First Class Single Piece and Workshare letters are .2565 and .1082 cents, respectively. If you cannot confirm, please explain and provide the correct update unit volume variable costs as a result of the update to FY 1999.
- (f) Please confirm that the unit variable cost for First-Class Single Piece letters is projected to increase by .45 cents as a result of the update to FY 1999. If you cannot confirm, please explain and provide the correct unit cost increase for First-Class Single Piece letters.
- (g) Please confirm that the unit variable cost for First-Class Workshare letters is projected to increase by .14 cents as a result of the update to FY 1999. If you cannot confirm, please explain and provide the correct unit cost increase for First-Class Workshare letters.
- (h) Please confirm that the unit variable cost for First-Class Single Piece letters is projected to increase by .31 cents more than the unit variable cost increase for First-Class Workshare letters as a result of the update to FY 1999. If you

cannot confirm please explain and provide the correct amount by which First-Class Single Piece letters increase more than Workshare letters.

- (i) Please explain how this difference in unit variable cost increases, i.e., .31 cents more for First-Class Single Piece letters than for Workshare letters, impacts your derived 5.2-cent worksharing cost savings.

MMA/USPS-T24-23 Please refer to your answer to MMA/USPS-T24-18. There you list the BMM and Automation unit costs for each of the cost pools that you omitted from your analysis.

- (a) Please provide the FY 1999 unit costs in the same format as provided there.

- (b) Please discuss the reasons for any changes that might result as shown in cost pools for

- 1) MODS 1PLATFORM
- 2) MODS 1SACKS H
- 3) MODS 1SUPP F1
- 4) MODS 1SUPP F4
- 5) NONMODS MISC

- (c) Please confirm that it is your position that unit cost differences between workshare letters and BMM letters resulting from the fact that workshare letters must be prepared in compliance with Postal regulations and BMM letters do not are nonworksharing-related (fixed) cost differences and should not be part of the derivation of workshare cost savings. If you cannot confirm, please explain.

- (d) Please confirm that you are not an expert on presort mailers and wouldn't know the answer to questions in terms of what they might do prior to entering their mail at a postal facility.

- (e) Please confirm that mailers who sort and label trays perform activities that do not affect platform operation costs. If you cannot confirm, please explain.

- (f) Please confirm that mailers who strap trays perform activities that do not affect platform operation costs. If you cannot confirm, please explain.

- (g) Please confirm that mailers who palletize trays perform activities that do not affect platform operation costs. If you cannot confirm, please explain.

- (h) Please confirm that mailers who label and sort pallets perform activities that do not affect platform operation costs. If you cannot confirm, please explain.

- (i) Please confirm that mailers who stretch wrap pallets perform activities that do not affect platform operation costs. If you cannot confirm, please explain.
- (j) Please confirm that mailers who apply Air Contract Transportation ("ACT") tags to trays perform activities that do not affect platform operation costs. If you cannot confirm, please explain.
- (k) Please confirm that mailers who sort and load pallets of trays into Postal Service vehicles perform activities that do not affect platform operation costs. If you cannot confirm, please explain.
- (l) Please confirm that you are qualified to make such judgments (described in parts (e) – (k)) regarding mail preparation requirements that First-Class workshare mailers must comply with in order to qualify for workshare discounts.