

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, 2001)
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Docket No. R2001-1

**FIRST SET OF INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS BY THE ASSOCIATION OF
ALTERNATE POSTAL SYSTEMS TO THE UNITED STATES POSTAL
SERVICE WITNESS JOSEPH D. MOELLER
(AAPS/USPS-T28-1-7)**

Pursuant to the Commission's Rules of Practice, the Association of Alternate Postal Systems hereby submits the attached interrogatories and requests for production of documents to the United States Postal Service witness Moeller. If any request should be answered by a different witness, it should be referred to that witness.

Respectfully submitted,

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Bonnie S. Blair, Esq.
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Counsel for the Association
of Alternate Postal Systems

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing documents in accordance with Section 12 of the Commission's Rules of Practice.

Bonnie S. Blair
Bonnie S. Blair, Esq.

Dated: October 17, 2001

FIRST INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS
OF ASSOCIATION OF ALTERNATE POSTAL SYSTEMS (AAPS)
TO THE UNITED STATES POSTAL SYSTEM
WITNESS JOSEPH D. MOELLER (USPS-T-28)
(AAPS/USPS-T28-1-7)

AAPS/USPS-T28-1. You state at page 8, lines 13-16, that criterion 4 (the effect on mail users and competitors) is especially important given the relatively short time between the most recent changes in rates and this case, in light of the “relatively large proposed rate increases.” Wouldn’t the portion of criterion 4 calling for consideration of the effects on competitors also take on heightened importance with the respect to the rate *decreases* you propose for much saturation ECR mail above the break point, in light of the recent rate decreases for this mail?

AAPS/USPS-T28-2. Please provide an estimate of the number of Saturation ECR pieces for which a rate decrease is being proposed in this docket, broken down by entry level (e.g., SCF entry, DDU entry).

AAPS/USPS-T28-3. You state at page 9, lines 3-6, that you considered the impact of the proposed rates on “competitors.” With respect to this statement and the ECR rates in particular, please:

- (a) Identify the competitors by name or description that you specifically considered.
- (b) Specify the manner in which you considered the impact of, especially, the proposed ECR Saturation rate decreases on alternate delivery companies of the type represented by AAPS.
- (c) List all sources of information that were or could have been available to you that contain information about the alternate delivery business and that would have assisted with an analysis of the impact on such business of postal rate reductions for ECR Saturation mail.
- (d) List all of the sources listed in part (c) above that you actually consulted.
- (e) Do you believe that there is price competition between companies like ADVO and members of AAPS for the delivery of saturation advertising material? Please provide an explanation of the basis for your answer.
- (f) Do postal rates affect the costs of companies like ADVO?

AAPS/USPS-T28-4. You testify at page 35, lines 3-7, that because the proposed increase is near the system-wide average (and citing the cost coverage), competitors are not unfairly targeted.

- (a) Do you agree that the extent of competition is not the same for all types of Standard mail?
- (b) If you were to determine that the average Postal Service headquarters employee is five feet, eight inches tall, would you conclude that all headquarters doorways could be reduced to six feet in height and that all employees would be safe from injury?

AAPS/USPS-T28-5. At page 37, lines 6-8, you state that the Postal Service “may be able to accommodate mailer requests for delivery within a specific time frame” for ECR mail. For approximately what percentage of ECR mail is an in-home date range requested, and in approximately what percentage of the time are such requests met?

AAPS/USPS-T28-6. At page 37, line 16, you refer to the “above inflation increase” for the ECR subclass. (a) Please compare the proposed rate change with the inflation rate for an eight-ounce

piece of ECR Saturation mail entered at the SCF and for an eight ounce piece entered at the DDU. (b) Please provide the same comparison for the rates for such pieces proposed in the two most recent rate cases and for the rates recommended in the two most recent rate cases.

AAPS/USPS-T28-7. Since you conclude that an above-inflation increase demonstrates a lack of unfair competition, would you also conclude that a below inflation increase, or even a rate decrease, demonstrates the existence of unfair competition? If not, would you agree that heightened scrutiny is called for in such situations?