

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

Docket No. R2001-1

**RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS MAYES TO INTERROGATORY OF THE MAGAZINE PUBLISHERS
OF AMERICA REDIRECTED FROM WITNESS TAUFIQUE
(MPA/USPS-T34—8(A) AND (C))**

The United States Postal Service hereby provides the response of witness Mayes to the following interrogatory of the Magazine Publishers of America redirected from witness Taufique: MPA/USPS-T34—8(a) and (c), filed on October 10, 2001.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


Anthony Alverno
Attorney

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2997; Fax -6187
October 24, 2001

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYES TO
INTERROGATORIES OF MAGAZINE PUBLISHERS OF AMERICA, INC.
REDIRECTED FROM WITNESS TAUFIQUE**

MPA/USPS-T34-8. Please refer to page 4 of your testimony, where you state, "I am also proposing a change to DMCS 421.45 to limit the destination entry discounts to mail entered at the destination facility."

(a) Please describe in detail how this change will benefit the Postal Service.

(c) Has the Postal Service or any of its contractors performed any analyses of the cost difference between pieces claiming the DSCF rate that are not entered at the destination facility, and pieces claiming the DSCF rate that are entered at the destination facility? If so, please provide a copy of each analysis. If not, please describe in as much detail as possible the cost savings that will result from this requirement.

RESPONSE

(a) The proposed change to the requirements for destination entry Periodicals will align the eligibility requirements for discounts with the assumptions that underlay the estimated cost savings upon which the discounts were based. The current and proposed discounts are based on cost savings estimates developed using the assumption that mail receiving the destination entry SCF discount is dropped at the destinating facility and not just at any facility within the service area of that SCF. This change in requirements could potentially lead to cost savings if it results in mail that is not currently dropped at the appropriate facility being dropped at the appropriate facility, and if this change results in less postal handling and transportation.

(c) No. Neither the Postal Service nor its contractors have performed any analyses of the cost difference between pieces claiming the DSCF rate that are not entered at the destination facility and pieces claiming the DSCF rate that are entered at the destination facility.

DECLARATION

I, Virginia Mayes, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.


VIRGINIA MAYES

Dated: 10-24-01

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.



Anthony Alverno

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Washington, D.C. 20260-1137
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