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

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TAUFIQUE TO INTERROGATORIES OF THE MAGAZINE PUBLISHERS OF AMERICA, INC. (MPA/USPS-T34-10(A-D), 11-12)

The United States Postal Service hereby provides the responses of witness Taufique to the following interrogatories of the Magazine Publishers of America, Inc.: MPA/USPS-T34-10(a-d), 11, and 12, filed on October 19, 2001. Interrogatory MPA/USPS-T34-10(e-g)) has been redirected to witness Mayes. Each 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

David H. Rubin

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202) 268-2986; Fax –6187 November 2, 2001

**MPA/USPS-T34-10.** Please refer to OC01.xls, worksheets Calc. of new Cells and Rev. Adj+Ed. Cont.

- (a) Please confirm that the Postal Service estimates that approximately nine percent of TYAR Periodicals Outside-County mail volume will be entered at the DADC. If not confirmed, please explain fully.
- (b) Please confirm that currently only 7.6 percent of Periodicals Outside-County mail is entered at the DADC. If not confirmed, please explain fully.
- (c) Please confirm that the difference between these two figures (approximately 1.4 percent of Periodicals Outside-County volume) represents mail that is (i) currently entered at OSCFs and OAOs in the DADC service territory; and (ii) expected to be entered at the DADC in the Test Year. If not confirmed, please explain fully.
- (d) Please confirm that to qualify as a DADC piece, the mail must be entered at the DADC facility. If not confirmed, please explain fully.
- (e) Please confirm that, ceteris parabis, the transportation and mail processing cost for a piece entered at the DADC facility is lower than the transportation and mail processing cost for a piece entered at an OSCF or OAO in the DADC service territory. If not confirmed, please explain fully.
- (f) Does the Postal Service typically transport Periodicals Outside-County mail that is entered at the OSCF (within the DADC service territory, but not the DSCF service territory) to the DADC? Please explain your answer fully.
- (g) Does the Postal Service typically transport Periodicals Outside-County mail that is entered at an OAO (within the DADC service territory, but not the DSCF service territory) first to the OSCF and then on to the DADC? Please explain your answer fully.

#### **RESPONSE:**

- a. Confirmed.
- b. The percent of mail that is entered at the DADC (according to USPS-LR-J-114, witness Loetscher) is 7.6 percent in terms of weight but a slightly higher proportion (8.1 percent) is reported in terms of copies.
- c. Confirmed, with respect to weight.

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- d. It is my understanding that the DADC per-piece discount applies to addressed pieces not eligible for Within County rates and addressed for delivery within the facility service area, when the pieces are deposited at the DADC and placed in other than than a MXD ADC or MXD AADC sack or tray or on a MXD ADC pallet. The application of the DADC pound rate would be applicable to eligible copies in a similar fashion.
- e. Redirected to witness Mayes, USPS-T-23.
- f. Redirected to witness Mayes, USPS-T-23.
- g. Redirected to witness Mayes, USPS-T-23.

**MPA/USPS-T34-11.** Please refer to OC01.xls, worksheets Calc. of new Cells and Rev. Adj+Ed. Cont. In particular, please refer to the Postal Service's estimate that approximately 9.2 percent of Periodicals Outside-County mail volume will pay the DADC rate in the Test Year.

- (a) Please confirm that the 9.2 percent figure is an aggregate figure for the entire Periodicals Outside-County subclass.
- (b) What percentage of TYAR Periodicals Nonprofit pieces will qualify for the DADC rate? If you cannot provide an exact estimate, please provide your best guess.
- (c) What percentage of TYAR Periodicals Regular pieces will qualify for the DADC rate? If you cannot provide an exact estimate, please provide your best guess.

#### **RESPONSE:**

- a. Not confirmed. The number used in the analysis is 9 percent, which is an aggregate figure for the entire Periodicals Outside-County subclass.
- b. I have no way of knowing what percent of Nonprofit Periodicals pieces will qualify for the DADC rate. My best guess of 9 percent is provided in the worksheet NP TYAR ([174,308,135+ 312,081]/ 1,940,224,619).
- c. I have no way of knowing what percent of Regular Periodicals pieces will qualify for the DADC rate. My best guess of 9 percent is provided in the worksheet RR TYAR ([637,203,293 + 2,733,941]/7,110,413,720).

**MPA/USPS-T34-12.** Please refer to OC01.xls, worksheet Calc. of new Cells. In particular, please refer to the Postal Service's estimate that approximately 69 percent of Periodicals Outside-County mail volume is currently palletized.

- (a) Please confirm that the 69 percent figure is an aggregate figure for the entire Periodicals Outside-County subclass. If not confirmed, please explain fully.
- (b) What percentage of Periodicals Nonprofit pieces is palletized?
- (c) What percentage of Periodicals Regular pieces is palletized?

#### **RESPONSE:**

- a. Confirmed
- b. I don't know.
- c. I don't know.

### **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.

David H. Rubin

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 November 2, 2001