

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

Docket No. R2001-1

**KeySpan Energy's First Set Of Interrogatories And Document Production
Requests To USPS Witness Susan Mayo**

Pursuant to Rules 25 and 26 of the Commission's Rules of Practice, KeySpan Energy submits the following interrogatories and document production requests to USPS witness Susan Mayo: **KE/USPS-T36-1-2**. If the designated witness is unable to answer any of these questions, please direct them to the appropriate witness who can provide a complete response.

Respectfully submitted,

KeySpan Energy

By: 

Michael W. Hall
34693 Bloomfield Road
Round Hill, Virginia 20141
540-554-8880

Counsel for
KeySpan Energy

CERTIFICATE OF SERVICE

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

Dated this 5th day of November 2001


Michael W. Hall

**KeySpan Energy's First Set Of Interrogatories And Document Production
Requests For USPS Witness Susan W. Mayo**

KE/USPS-T36-1 On page 12 of your Direct Testimony you indicate that the overall proposed cost coverage for BRM is 131 percent. Please provide the source for this figure, including all computations that were made in order to derive this proposed cost coverage for all BRM categories.

KE/USPS-T36-2 Please refer to your workpapers, Library Reference USPS-LR-J-109, particularly USPS-T-36, WP-2. There you provide the projected test year QBRM volumes and the number of recipients expected to pay the High Volume QBRM quarterly fee.

- A. Please confirm that for your volume projection, you simply assumed that one-third of the total QBRM volume would be received by High Volume QBRM recipients that would pay the quarterly fee. If no, please explain.
- B. Please confirm that you employed the same volume projection methodology in this case as in the last proceeding, Docket No. R2000-1. If no, please explain.
- C. Please confirm that, as was the case in the R2001-1 proceeding, you did not perform any market research study to test the reasonableness of your volume projection? Please explain your answer and, if you did perform any market research study, please provide copies of all documents relating to the design of the market study, the manner and time in which it was conducted, and the results of such study.
- D. Please confirm that the annual breakeven volume at which it would be financially beneficial for a High Volume QBRM recipient to pay the quarterly fee and .8-cent per piece fee is 138,462, as shown in footnote 5. If no, please explain.
- E. Please confirm that you estimate a total of 130.491 million QBRM pieces will be received by recipients that pay the quarterly fee and your proposed .8 cent per piece fee. If no, please explain.
- F. Are you aware that USPS witness Miller has presented a survey of 151 High Volume QBRM recipients who received at least 500,000 pieces per year and whose total pieces received exceeded 300 million pieces? Please see Library Reference USPS-LR-J-60, page 104. If no, please explain.
- G. Are you aware that in Docket No. R2000-1 KeySpan Energy witness Bentley, using CBCIS data requested from you and supplied by the Postal Service, presented a survey of QBRM recipients that showed that 288 High

Volume QBRM recipients received, on average, over 300,000 pieces each per year, and that such recipients received a total of 342 million QBRM pieces. If no, please explain.

- H. Are you aware that in Docket No. R2000-1 KeySpan Energy witness Bentley, using CBCIS data requested from you and supplied by the Postal Service, presented a survey of QBRM recipients that showed that 723 High Volume QBRM recipients averaged over 100,000 pieces received per year, and received a total of 415 million QBRM pieces. If no, please explain.
- I. Please explain why you believe your estimate of 130.491 million pieces is the best estimate available, when both Mr. Miller's and Mr. Bentley's surveys indicate that your figure might be low?
- J. Please confirm that you estimate that 1,885 High Volume QBRM recipients will each pay the quarterly fee of \$1,800. If no, please explain.
- K. Please explain why you believe your estimate that 1,885 High Volume QBRM recipients will each pay the quarterly fee of \$1,800 is reasonable in light of Postal Service data indicating that only 723 recipients received an average of 100,000 QBRM pieces per year?