

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

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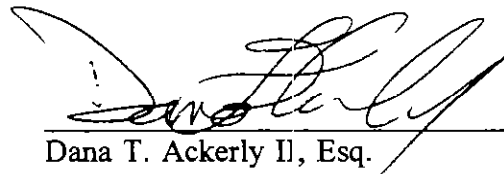
POSTAL RATE AND FEE CHANGES, 1997

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

**INTERROGATORIES OF
THE DIRECT MARKETING ASSOCIATION, INC.
TO USPS WITNESS MOELLER**

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the Direct Marketing Association, Inc. hereby submits the attached interrogatories to USPS witness Moeller: DMA/USPS-T36, Nos. 1(a) - (d). If the designated witness is unable to respond to any interrogatory, we request a response by some other qualified witness.

Respectfully submitted,

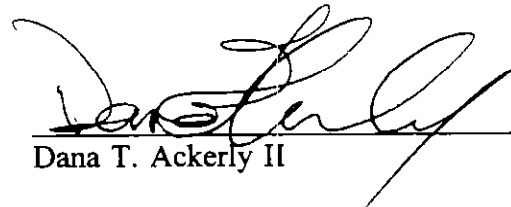


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CERTIFICATE OF SERVICE

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



Dana T. Ackerly II

Dated: August 1, 1997

WITNESS MOELLER (USPS-T-36)

DMA/USPS-T36-1. Please refer to your testimony at page 2, lines 10 - 16.

- a. Please confirm that you compute an average rate change for the Standard (A) Regular subclass at 4.1 percent and the average rate change for Standard (A) ECR at 3.2 percent. Please confirm, also, that these figures were computed using a "constant volume mix, i.e., you applied the USPS-proposed rates to before-rates volumes. If you cannot so confirm, please provide any correction needed.
- b. Please identify the workpapers or other documents that reflect the computation of the figures referred to in interrogatory 1(a), above, including the multiplication of specific rate levels by mail volume estimated to be handled at each of the rate elements in the test year.
- c. Did you, or some other Postal Service witness, make similar computations using after-rates volumes in the test year? If so, please identify the work papers or other documents that reflect these computations.
- d. On page 28, lines 11 - 13 of your testimony, you describe "an expected migration of 3.3 billion letters from the Basic ECR letter rate to 5-digit automation." Do the after-rates volumes mentioned in interrogatory DMA/USPS-T36-1(c) reflect any mail migrations other than this one? If yes, please explain fully. If no, is it fair to conclude that your estimates of after-rates volumes reflect price elasticities and no other factors, as compared with the corresponding before-rates volumes?