

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, 1997

Docket No. R97-1

**DIRECT MARKETING ASSOCIATION, INC.'S FIRST SET OF
INTERROGATORIES DIRECTED TO USPS WITNESS HUME
(DMA/USPS-T18-1-2)**

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 Hume (DMA/USPS-T18-1-2). 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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August 15, 1997

DMA/USPS-T18-1. Please refer to page 11, lines 13-17, of your direct testimony (USPS-T-18) in which you state that cost savings from Delivery Point Sequencing ("DPS") "is well known on a local basis and the savings are evident from contemporary work-hours statistics."

- a. Please describe the extent to which DPS cost savings are "well known on a local basis" including the degree of such savings.
- b. Please describe and produce the "contemporary work-hours statistics" detailing the cost savings from DPS.

DMA/USPS-T18-2. Please refer to page 11, line 22, through page 12, line 2, and page 13, lines 1 through 5, of your direct testimony (USPS-T-7) in which you state that future DPS cost savings are based on "budget amounts recognized from FY93 through FY96."

- a. Please detail the extent of cost savings from DPS in FY93 through FY96 and the estimated cost savings from DPS for FY97 through FY2000.
- b. Please confirm that the cumulative estimated cost savings from DPS for FY93 through FY96 are less than the estimated cost savings from DPS for FY97 through FY2000.
- c. If sub-part b. is confirmed, please confirm that applying the DPS cost savings from FY93 through FY96 to determine the TY98 cost savings from DPS underestimates the extent of DPS cost savings for each rate category for TY98.
- d. Please describe the projected DPS cost savings for TY98.

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.



Michael D. Bergman

Dated: August 15, 1997