

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

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS JOSEPH D. MOELLER
(OCA/USPS-T36-19-24)
August 20, 1997

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories 1-7 to the United States Postal Service dated July 16, 1997, are hereby incorporated by reference.

Respectfully submitted,

Gail Willette

GAIL WILLETTE
Director
Office of the Consumer Advocate

Shelley S. Dreifuss

SHELLEY S. DREIFUSS
Attorney

OCA/USPS-T36-19. Please refer to your testimony at 23, lines 12-19. Is it correct that you have chosen the pound rate for the Enhanced Carrier Route subclass instead of solving for the pound rate using the formula that the Commission preferred in Docket No. MC95-1? If this is not correct, please explain.

OCA/USPS-T36-20. Please confirm that in Docket No. MC95-1 (USPS-T-18) at 15 (footnotes omitted) you testified that:

[S]ince the analysis presented in USPS-LR-MCR-12 shows that, even with parcels included, weight plays a small cost-causing role, I am proposing a pound rate of 51 cents for the Enhanced Carrier Route subclass. This lower pound rate is also beneficial in that it is more closely aligned with the price structure of competitive advertising media since rates for other advertising media are not as sensitive to weight.

If you do not confirm, explain why.

OCA/USPS-T36-21. Please confirm that the Commission dismissed your recommendation that the cost/weight study in LR-MCR-12 should result in the relatively low pound rate you proposed for Enhanced Carrier Route mail; i.e., the Commission held (PRC Op. MC95-1 at para. 5649):

The Postal Service and proponents are concerned with the potential lessons of the Postal Service's cost and weight study in USPS-LR-MCR-12. However, as discussed earlier, using the Docket No. R90-1 methodology reduces the pound rate to dependency on a host of other ratemaking decisions, all of which are cost based. Because the Commission is retaining the Docket No. R90-1 methodology, there is not much latitude in the pound rate. The Commission is satisfied that all the rate design decisions are as cost based as possible and that they balance the relevant pricing criteria of the Act.

If you do not confirm, please explain.

OCA/USPS-T36-22. In your current testimony, USPS-T-36 at 24, you testify that:

The Postal Service is proposing a pound rate of 53 cents for Enhanced Carrier Route. This is a significant reduction from today's pound rate of 66.3 cents, and is similar to the pound rate proposed by the Postal Service in Docket No. MC95-1. The reduction is warranted for several reasons.

The fourth reason you give for the reduction in the pound rate (at 25) is:

[T]he new cost study in USPS LR-H-182 graphically displays the very small role that weight plays in Enhanced Carrier Route costs. . . . The shape of the cost curve for ECR in the study shows very little increase in costs as weight increases.

The fifth and final reason you give for the reduction in the pound rate (at 26, footnotes omitted) is:

[T]he Enhanced Carrier Route subclass is in a competitive market and is susceptible to diversion to alternative media. As such, the rate structure should be sensitive to, and priced competitively with, the alternatives. A lower pound rate is more consistent with the rates for other advertising media that are not as sensitive to weight.

Aren't your reasons four and five (quoted above) essentially the same as those considered and rejected by the Commission in Docket No. MC95-1 (quoted in interrogatory OCA/USPS-T36-20 above)? If you do not agree, please explain.

OCA/USPS-T36-23. You claim in USPS-T-36 at 26 that:

The Postal Service has proposed a modification to the formula that no longer makes the pound rate dependent upon the other ratemaking decisions, and is more cost based in that it results in a pound rate which better reflects the weight-cost relationship for saturation mail.

Also, in response to interrogatory OCA/USPS-T36-2, you state that:

One modification [Postal Service's] is that the proposal solves for i with P as an input; whereas the Commission solved for P with i as an input.

However, isn't it correct that the Commission's calculation of the ECR pound rate in Docket No. MC95-1 is more "cost-based" than yours in this respect: you select the pound rate in the instant proceeding, while the Commission derived the pound rate from a formula that used the piece rate as a central input and the piece rate used was derived from unit mail processing and delivery costs developed by Postal Service witness Takis (USPS-T-12) in Docket No. MC95-1? If you do not agree, please explain.

- a. Please confirm that the intercept 0.018 was used in the formula set forth at page 15 of PRC-LR-2, Docket No. MC95-1 (the Commission's MC95-1 Standard Class rate design workpapers), to derive the pound rate for ECR. If you do not confirm, please explain.
- b. Also confirm that the 0.018 figure was derived in worktables A through E of page 13 of PRC-LR-2. If you do not confirm, please explain.
- c. Confirm that the presort cost differential figures and the letter/flat cost differential figures used in worktable A, page 13, of PRC-LR-2 ultimately can be traced to USPS-T-12C, p.2, Docket No. MC95-1 (see "source" note at bottom of page 4 of PRC-LR-2). If you do not confirm, please explain.
- d. Confirm that USPS-T-12C, Docket No. MC95-1, presented mail processing, delivery, and other unit cost estimates for proposed Standard Mail classes. If you do not confirm, please explain.
- e. Confirm that, given the unit cost estimates developed by Postal Service witness Daniels in the instant proceeding (USPS-T-29C, page 2; and cited in your WP 1, page 10), and accepting all of your other assumptions in application of the formula that both the Postal Service and the Commission agree is appropriate for

determining ECR rates, a pound rate far higher than the 53-cent pound rate you propose would result from deriving the pound rate from an "i" input comparable to that employed by the Commission in Docket No. MC95-1 in determining the pound rate for ECR. If you do not confirm, please explain.

OCA/USPS-T36-24. Please refer to the following tables. Do these tables accurately represent the rates and percentage increases you propose? If not, please make any corrections necessary.

**ENHANCED CARRIER
ROUTE**

**MIN/PC
RATE**

CURRENT
RATES

PROPOSED % INCR
RATES

LETTERS

Automation	14.6	15.7	7.53%
Basic	15.0	16.4	9.33%
High Density	14.2	14.3	0.70%
Saturation	13.3	13.4	0.75%

DBMC disc.

Automation	13.3	14.2	6.77%
Basic	13.7	14.9	8.76%
High Density	12.9	12.8	-0.78%
Saturation	12.0	11.9	-0.83%

DSCF disc.

Automation	12.8	13.9	8.59%
Basic	13.2	14.6	10.61%
High Density	12.4	12.5	0.81%
Saturation	11.5	11.6	0.87%

DDU disc.

Automation	12.3	13.4	8.94%
Basic	12.7	14.1	11.02%
High Density	11.9	12.0	0.84%
Saturation	11.0	11.1	0.91%

**ENHANCED CARRIER
ROUTE****MIN/PC RATE**CURRENT
RATES

PROPOSED % INCR

RATES

NONLETTERS

Basic	15.5	16.4	5.81%
High Density	14.7	15.3	4.08%
Saturation	13.7	14.1	2.92%

DBMC disc.

Basic	14.2	14.9	4.93%
High Density	13.4	13.8	2.99%
Saturation	12.4	12.6	1.61%

DSCF disc.

Basic	13.7	14.6	6.57%
High Density	12.9	13.5	4.65%
Saturation	11.9	12.3	3.36%

DDU disc.

Basic	13.2	14.1	6.82%
High Density	12.4	13.0	4.84%
Saturation	11.4	11.8	3.51%

Enhanced Carrier Route

Pound Rated Pieces

3.5 Oz piece

	CURRENT RATES			PROPOSED RATES			% INCR
	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	
Basic	1.8	66.3	16.3	5.5	53.0	17.1	4.85%
High Density	1.0	66.3	15.5	4.4	53.0	16.0	3.16%
Saturation	0.0	66.3	14.5	3.2	53.0	14.8	2.00%
		PLUS Per Lb. Rate (DBMC)	Postage		PLUS Per Lb. Rate (DBMC)	Postage	
Basic	1.8	59.9	14.9	5.5	45.8	15.5	4.13%
High Density	1.0	59.9	14.1	4.4	45.8	14.4	2.24%
Saturation	0.0	59.9	13.1	3.2	45.8	13.2	0.88%
		PLUS Per Lb. Rate (DSCF)	Postage		PLUS Per Lb. Rate (DSCF)	Postage	
Basic	1.8	57.8	14.4	5.5	44.2	15.2	5.02%
High Density	1.0	57.8	13.6	4.4	44.2	14.1	3.11%
Saturation	0.0	57.8	12.6	3.2	44.2	12.9	1.78%
		PLUS Per Lb. Rate (DDU)	Postage		PLUS Per Lb. Rate (DDU)	Postage	
Basic	1.8	55.2	13.9	5.5	42.0	14.7	5.86%
High Density	1.0	55.2	13.1	4.4	42.0	13.6	3.92%
Saturation	0.0	55.2	12.1	3.2	42.0	12.4	2.59%
Per Pound Rate (by entry discount)							
None	66.3			53.0			
DBMC	59.9			45.8			
DSCF	57.8			44.2			
DDU	55.2			42.0			

Enhanced Carrier Route

Pound Rated Pieces

4.0 Oz piece

	CURRENT RATES			PROPOSED RATES			% INCR
	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	
Basic	1.8	66.3	18.4	5.5	53.0	18.8	2.04%
High Density	1.0	66.3	17.6	4.4	53.0	17.7	0.43%
Saturation	0.0	66.3	16.6	3.2	53.0	16.5	-0.75%

	CURRENT RATES	PLUS		PROPOSED RATES	PLUS		% INCR
		Per Lb. Rate (DBMC)	Postage		Per Lb. Rate (DBMC)	Postage	
Basic	1.8	59.9	16.8	5.5	45.8	17.0	1.04%
High Density	1.0	59.9	16.0	4.4	45.8	15.9	-0.78%
Saturation	0.0	59.9	15.0	3.2	45.8	14.7	-2.17%

	CURRENT RATES	PLUS		PROPOSED RATES	PLUS		% INCR
		Per Lb. Rate (DSCF)	Postage		Per Lb. Rate (DSCF)	Postage	
Basic	1.8	57.8	16.3	5.5	44.2	16.6	1.85%
High Density	1.0	57.8	15.5	4.4	44.2	15.5	0.00%
Saturation	0.0	57.8	14.5	3.2	44.2	14.3	-1.38%

	CURRENT RATES	PLUS		PROPOSED RATES	PLUS		% INCR
		Per Lb. Rate (DDU)	Postage		Per Lb. Rate (DDU)	Postage	
Basic	1.8	55.2	15.6	5.5	42.0	16.0	2.56%
High Density	1.0	55.2	14.8	4.4	42.0	14.9	0.68%
Saturation	0.0	55.2	13.8	3.2	42.0	13.7	-0.72%

Per Pound Rate
(by entry discount)

None	66.3	53.0
DBMC	59.9	45.8
DSCF	57.8	44.2
DDU	55.2	42.0

Enhanced Carrier Route

Pound Rated Pieces

6.0 Oz piece

	CURRENT RATES			PROPOSED RATES			% INCR
	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	
Basic	1.8	66.3	26.7	5.5	53.0	25.4	-4.83%
High Density	1.0	66.3	25.9	4.4	53.0	24.3	-6.14%
Saturation	0.0	66.3	24.9	3.2	53.0	23.1	-7.19%

	CURRENT RATES	PLUS		PROPOSED RATES	PLUS		% INCR
		Per Lb. Rate (DBMC)	Postage		Per Lb. Rate (DBMC)	Postage	
Basic	1.8	59.9	24.3	5.5	45.8	22.7	-6.54%
High Density	1.0	59.9	23.5	4.4	45.8	21.6	-8.04%
Saturation	0.0	59.9	22.5	3.2	45.8	20.4	-9.29%

	CURRENT RATES	PLUS		PROPOSED RATES	PLUS		% INCR
		Per Lb. Rate (DSCF)	Postage		Per Lb. Rate (DSCF)	Postage	
Basic	1.8	57.8	23.5	5.5	44.2	22.1	-5.96%
High Density	1.0	57.8	22.7	4.4	44.2	21.0	-7.50%
Saturation	0.0	57.8	21.7	3.2	44.2	19.8	-8.77%

	CURRENT RATES	PLUS		PROPOSED RATES	PLUS		% INCR
		Per Lb. Rate (DDU)	Postage		Per Lb. Rate (DDU)	Postage	
Basic	1.8	55.2	22.5	5.5	42.0	21.3	-5.56%
High Density	1.0	55.2	21.7	4.4	42.0	20.2	-7.14%
Saturation	0.0	55.2	20.7	3.2	42.0	19.0	-8.45%

Per Pound Rate
(by entry discount)

None	66.3	53.0
DBMC	59.9	45.8
DSCF	57.8	44.2
DDU	55.2	42.0

Enhanced Carrier Route

Pound Rated Pieces

8.0 Oz piece

	CURRENT RATES			PROPOSED RATES			% INCR
	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	
Basic	1.8	66.3	35.0	5.5	53.0	32.0	-8.44%
High Density	1.0	66.3	34.2	4.4	53.0	30.9	-9.52%
Saturation	0.0	66.3	33.2	3.2	53.0	29.7	-10.41%

	CURRENT RATES	PLUS		PROPOSED RATES	PLUS		% INCR
		Per Lb. Rate (DBMC)	Postage		Per Lb. Rate (DBMC)	Postage	
Basic	1.8	59.9	31.8	5.5	45.8	28.4	-10.55%
High Density	1.0	59.9	31.0	4.4	45.8	27.3	-11.79%
Saturation	0.0	59.9	30.0	3.2	45.8	26.1	-12.85%

	CURRENT RATES	PLUS		PROPOSED RATES	PLUS		% INCR
		Per Lb. Rate (DSCF)	Postage		Per Lb. Rate (DSCF)	Postage	
Basic	1.8	57.8	30.7	5.5	44.2	27.6	-10.10%
High Density	1.0	57.8	29.9	4.4	44.2	26.5	-11.37%
Saturation	0.0	57.8	28.9	3.2	44.2	25.3	-12.46%

	CURRENT RATES	PLUS		PROPOSED RATES	PLUS		% INCR
		Per Lb. Rate (DDU)	Postage		Per Lb. Rate (DDU)	Postage	
Basic	1.8	55.2	29.4	5.5	42.0	26.5	-9.86%
High Density	1.0	55.2	28.6	4.4	42.0	25.4	-11.19%
Saturation	0.0	55.2	27.6	3.2	42.0	24.2	-12.32%

Per Pound Rate
(by entry discount)

None	66.3	53.0
DBMC	59.9	45.8
DSCF	57.8	44.2
DDU	55.2	42.0

REGULAR AUTOMATION**MIN/PC RATE**

	CURRENT RATES	PROPOSED RATES	% INCR
<u>LETTERS</u>			
Basic	18.3	18.9	3.28%
3-Digit	17.5	17.8	1.71%
5-Digit	15.5	16	3.23%
<u>DBMC disc.</u>			
Basic	17.0	17.4	2.35%
3-Digit	16.2	16.3	0.62%
5-Digit	14.2	14.5	2.11%
<u>DSCF disc.</u>			
Basic	16.5	17.1	3.64%
3-Digit	15.7	16.0	1.91%
5-Digit	13.7	14.2	3.65%
<u>NONLETTERS</u>			
Basic	27.7	24.3	-12.27%
3/5-Digit	18.9	20.7	9.52%
<u>DBMC disc.</u>			
Basic	26.4	22.8	-13.64%
3/5-Digit	17.6	19.2	9.09%
<u>DSCF disc.</u>			
Basic	25.9	22.5	-13.13%
3/5-Digit	17.1	18.9	10.53%

REGULAR AUTOMATION FLAT Pound Rated Pieces

3.5 Oz piece

	CURRENT RATES			PROPOSED RATES			% INCR
	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	
Basic	13.7	67.7	28.5	10.9	65.0	25.1	-11.89%
3/5-Digit	4.9	67.7	19.7	7.3	65.0	21.5	9.18%

	PLUS Per Lb. Rate (DBMC)			PLUS Per Lb. Rate (DBMC)			% INCR
	Per Lb. Rate (DBMC)	Postage		Per Lb. Rate (DBMC)	Postage		
Basic	13.7	61.3	27.1	10.9	57.8	23.5	-13.15%
3/5-Digit	4.9	61.3	18.3	7.3	57.8	19.9	8.93%

	PLUS Per Lb. Rate (DSCF)			PLUS Per Lb. Rate (DSCF)			% INCR
	Per Lb. Rate (DSCF)	Postage		Per Lb. Rate (DSCF)	Postage		
Basic	13.7	59.2	26.7	10.9	56.2	23.2	-12.97%
3/5-Digit	4.9	59.2	17.9	7.3	56.2	19.6	9.77%

Per Pound Rate
(by entry discount)

None	67.7	65.0
DBMC	61.3	57.8
DSCF	59.2	56.2
DDU	--	--

REGULAR AUTOMATION FLAT Pound Rated Pieces

4.0 Oz piece

	CURRENT RATES			PROPOSED RATES			% INCR
	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	
Basic	13.7	67.7	30.6	10.9	65.0	27.2	-11.35%
3/5-Digit	4.9	67.7	21.8	7.3	65.0	23.6	7.90%

	PLUS Per Lb. Rate (DBMC)			PLUS Per Lb. Rate (DBMC)			% INCR
	Per Lb. Rate (DBMC)	Postage		Per Lb. Rate (DBMC)	Postage		
Basic	13.7	61.3	29.0	10.9	57.8	25.4	-12.66%
3/5-Digit	4.9	61.3	20.2	7.3	57.8	21.8	7.54%

	PLUS Per Lb. Rate (DSCF)			PLUS Per Lb. Rate (DSCF)			% INCR
	Per Lb. Rate (DSCF)	Postage		Per Lb. Rate (DSCF)	Postage		
Basic	13.7	59.2	28.5	10.9	56.2	25.0	-12.46%
3/5-Digit	4.9	59.2	19.7	7.3	56.2	21.4	8.38%

Per Pound Rate
(by entry discount)

None	67.7	65.0
DBMC	61.3	57.8
DSCF	59.2	56.2
DDU	-	-

REGULAR AUTOMATION FLAT Pound Rated Pieces

6.0 Oz piece

	CURRENT RATES			PROPOSED RATES			% INCR
	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	
Basic	13.7	67.7	39.1	10.9	65.0	35.3	-9.75%
3/5-Digit	4.9	67.7	30.3	7.3	65.0	31.7	4.58%

	PLUS Per Lb. Rate (DBMC)			PLUS Per Lb. Rate (DBMC)			% INCR
	Per Piece Rate	Per Lb. Rate (DBMC)	Postage	Per Piece Rate	Per Lb. Rate (DBMC)	Postage	
Basic	13.7	61.3	36.7	10.9	57.8	32.6	-11.21%
3/5-Digit	4.9	61.3	27.9	7.3	57.8	29.0	3.90%

	PLUS Per Lb. Rate (DSCF)			PLUS Per Lb. Rate (DSCF)			% INCR
	Per Piece Rate	Per Lb. Rate (DSCF)	Postage	Per Piece Rate	Per Lb. Rate (DSCF)	Postage	
Basic	13.7	59.2	35.9	10.9	56.2	32.0	-10.93%
3/5-Digit	4.9	59.2	27.1	7.3	56.2	28.4	4.70%

Per Pound Rate
(by entry discount)

None	67.7	65.0
DBMC	61.3	57.8
DSCF	59.2	56.2
DDU	--	--

REGULAR AUTOMATION FLAT Pound Rated Pieces

8.0 Oz piece

	CURRENT RATES			PROPOSED RATES			% INCR
	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	
Basic	13.7	67.7	47.6	10.9	65.0	43.4	-8.73%
3/5-Digit	4.9	67.7	38.8	7.3	65.0	39.8	2.71%

	PLUS			PLUS			% INCR
	Per Piece Rate	Per Lb. Rate (DBMC)	Postage	Per Piece Rate	Per Lb. Rate (DBMC)	Postage	
Basic	13.7	61.3	44.4	10.9	57.8	39.8	-10.26%
3/5-Digit	4.9	61.3	35.6	7.3	57.8	36.2	1.83%

	PLUS			PLUS			% INCR
	Per Piece Rate	Per Lb. Rate (DSCF)	Postage	Per Piece Rate	Per Lb. Rate (DSCF)	Postage	
Basic	13.7	59.2	43.3	10.9	56.2	39.0	-9.93%
3/5-Digit	4.9	59.2	34.5	7.3	56.2	35.4	2.61%

Per Pound Rate
(by entry discount)

None	67.7	65.0
DBMC	61.3	57.8
DSCF	59.2	56.2
DDU	--	--

**REGULAR
PRESORT****MIN/PC RATE**

	CURRENT RATES	PROPOSED RATES	% INCR
<u>LETTERS</u>			
Basic	25.6	24.7	-3.52%
3/5-Digit	20.9	20.9	0.00%
<u>DBMC disc.</u>			
Basic	24.3	23.2	-4.53%
3/5-Digit	19.6	19.4	-1.02%
<u>DSCF disc.</u>			
Basic	23.8	22.9	-3.78%
3/5-Digit	19.1	19.1	0.00%
<u>NONLETTERS</u>			
Basic	30.6	30.0	-1.96%
3/5-Digit	22.5	24.0	6.67%
<u>DBMC disc.</u>			
Basic	29.3	28.5	-2.73%
3/5-Digit	21.2	22.5	6.13%
<u>DSCF disc.</u>			
Basic	28.8	28.2	-2.08%
3/5-Digit	20.7	22.2	7.25%

REGULAR PRESORT FLAT

Pound Rated Pieces

	3.5 Oz piece			PROPOSED RATES	3.5 Oz piece			% INCR
	CURRENT RATES	PLUS Per Piece Rate	PLUS Per Lb. Rate (none)		PLUS Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	
Basic	16.6	67.7	31.4	16.6	65.0	30.8	-1.88%	
3/5-Digit	8.5	67.7	23.3	10.6	65.0	24.8	6.48%	
		PLUS Per Lb. Rate (DBMC)	PLUS Postage		PLUS Per Lb. Rate (DBMC)	PLUS Postage		
Basic	16.6	61.3	30.0	16.6	57.8	29.2	-2.55%	
3/5-Digit	8.5	61.3	21.9	10.6	57.8	23.2	6.09%	
		PLUS Per Lb. Rate (DSCF)	PLUS Postage		PLUS Per Lb. Rate (DSCF)	PLUS Postage		
Basic	16.6	59.2	29.6	16.6	56.2	28.9	-2.22%	
3/5-Digit	8.5	59.2	21.5	10.6	56.2	22.9	6.73%	

Per Pound Rate
(by entry discount)

None	67.7	65.0
DBMC	61.3	57.8
DSCF	59.2	56.2
DDU	--	--

REGULAR PRESORT FLAT

Pound Rated Pieces

4.0 Oz piece

	CURRENT RATES			PROPOSED RATES			% INCR
	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	
Basic	16.6	67.7	33.5	16.6	65.0	32.9	-2.01%
3/5-Digit	8.5	67.7	25.4	10.6	65.0	26.9	5.60%
		PLUS Per Lb. Rate (DBMC)	Postage		PLUS Per Lb. Rate (DBMC)	Postage	
Basic	16.6	61.3	31.9	16.6	57.8	31.1	-2.74%
3/5-Digit	8.5	61.3	23.8	10.6	57.8	25.1	5.14%
		PLUS Per Lb. Rate (DSCF)	Postage		PLUS Per Lb. Rate (DSCF)	Postage	
Basic	16.6	59.2	31.4	16.6	56.2	30.7	-2.39%
3/5-Digit	8.5	59.2	23.3	10.6	56.2	24.7	5.79%

Per Pound Rate
(by entry discount)

None	67.7	65.0
DBMC	61.3	57.8
DSCF	59.2	56.2
DDU	--	--

REGULAR PRESORT FLAT

Pound Rated Pieces

6.0 Oz piece

	CURRENT RATES	6.0 Oz piece		PROPOSED RATES	6.0 Oz piece		% INCR
	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	
Basic	16.6	67.7	42.0	16.6	65.0	41.0	-2.41%
3/5-Digit	8.5	67.7	33.9	10.6	65.0	35.0	3.21%
		PLUS Per Lb. Rate (DBMC)	Postage	PLUS Per Lb. Rate (DBMC)	Postage		
Basic	16.6	61.3	39.6	16.6	57.8	38.3	-3.32%
3/5-Digit	8.5	61.3	31.5	10.6	57.8	32.3	2.50%
		PLUS Per Lb. Rate (DSCF)	Postage	PLUS Per Lb. Rate (DSCF)	Postage		
Basic	16.6	59.2	38.8	16.6	56.2	37.7	-2.90%
3/5-Digit	8.5	59.2	30.7	10.6	56.2	31.7	3.18%

Per Pound Rate
(by entry discount)

None	67.7	65.0
DBMC	61.3	57.8
DSCF	59.2	56.2
DDU	—	—

REGULAR PRESORT FLAT

Pound Rated Pieces

8.0 Oz piece

	CURRENT RATES		PROPOSED RATES			% INCR	
	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	Per Piece Rate	PLUS Per Lb. Rate (none)	Postage	
Basic	16.6	67.7	50.5	16.6	65.0	49.1	-2.68%
3/5-Digit	8.5	67.7	42.4	10.6	65.0	43.1	1.77%

	Per Piece Rate	PLUS Per Lb. Rate (DBMC)	Postage	Per Piece Rate	PLUS Per Lb. Rate (DBMC)	Postage	% INCR
Basic	16.6	61.3	47.3	16.6	57.8	45.5	-3.70%
3/5-Digit	8.5	61.3	39.2	10.6	57.8	39.5	0.89%

	Per Piece Rate	PLUS Per Lb. Rate (DSCF)	Postage	Per Piece Rate	PLUS Per Lb. Rate (DSCF)	Postage	% INCR
Basic	16.6	59.2	46.2	16.6	56.2	44.7	-3.25%
3/5-Digit	8.5	59.2	38.1	10.6	56.2	38.7	1.57%

Per Pound Rate
(by entry discount)

None	67.7	65.0
DBMC	61.3	57.8
DSCF	59.2	56.2
DDU	--	--

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.

Shelley S. Dreifuss
SHELLEY S. DREIFUSS
Attorney

Washington, D.C. 20268-0001
August 20, 1997