

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

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POSTAL RATE COMMISSION
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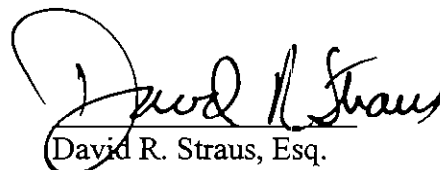
POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

THE AMERICAN BUSINESS PRESS' FIRST SET OF
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF
DOCUMENTS DIRECTED TO USPS WITNESS O'HARA
(ABP/USPS-T-30-1-7)

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the American Business Press hereby submits the attached interrogatories and requests for production of documents to USPS Witness O'Hara (ABP/USPS-T-30-1-7). If the designated witness is unable to respond to any interrogatory, we request a response by some other qualified witness.

Respectfully submitted,



David R. Straus, Esq.
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Counsel for the American
Business Press

August 20, 1997

FIRST INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS
OF AMERICAN BUSINESS PRESS (ABP)
TO USPS WITNESS DONALD O'HARA (USPS-T-30)
ABP/USPS-T-30-1-7

ABP/USPS-T-30-1

One of the statutory ratemaking factors you address is available alternatives. All other things being equal, does application of this factor mean that more costs, or that fewer costs, should be assigned to a particular type of mail if there are no (or minimal) readily available alternatives?

ABP/USPS-T-30-2

You state at page 21 that "all else being equal, I view movement of rates in the direction of Ramsey prices to be beneficial." Please explain what you mean by "all else being equal" in this context.

ABP/USPS-T-30-3

You state at page 21 that movement toward or away from Ramsey prices did not have a "major" effect on your conclusions. Did it have a minor effect? If so, please explain how.

ABP/USPS-T-30-4

You state at page 21 that one reason for the modest impact of Ramsey prices on your conclusions is the "Postal Service's desire to keep increases for all subclasses close to the overall average where possible...." What assurances can or is the Postal Service willing to give that such desire will be present in future cases?

ABP/USPS-T-30-5

You testify at page 29, lines 20-21, that he "value of service" received by periodicals is "moderately high in terms of intrinsic service characteristics...." Is this statement based upon service *standards* or on service actually received? If the later, please provide copies of all studies or data in the possession of the Postal Service or its contractors and generated in the past three years that addresses the actual service (in terms of days to delivery) received by periodicals.

ABP/USPS-T-30-6

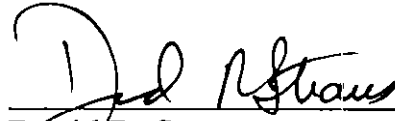
You state at page 31, lines 6-7, that smaller publications with geographically dispersed circulation had recently experienced substantial rate increases as a result of "Classification Reform," and that these increases were taken into account here. Please provide an estimate of the percentage of regular rate periodical titles that experienced an increase as a result of the decision in MC95-1 and provide an estimate of the "typical" or the range of increases experienced.

ABP/USPS-T-30-7

In response to NDMS/USPS-T3-18, Postal Service Witness Sharkey states: "The principles of Ramsey Pricing are useful guide posts in the setting of rates at the subclass level. Rate setting below the subclass level should look to the pricing criteria in the PRA as the principle source of guidance." Do you agree with this statement? Please explain your views on this subject if they are different in any respect.

CERTIFICATE OF SERVICE

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

A handwritten signature in black ink, appearing to read "David R. Straus", written over a horizontal line.

David R. Straus
Stephen M. Feldman

Dated: August 20, 1997