

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

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Postal Rate and Fee Changes, 1997

Docket No. R97-1  
POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

**NEWSPAPER ASSOCIATION OF AMERICA  
INTERROGATORIES TO  
UNITED STATES POSTAL SERVICE WITNESS  
SHARON DANIEL (NAA/USPS-T29-1-8)  
August 20, 1997**

The Newspaper Association of America hereby submits the attached interrogatories to United States Postal Service witness Sharon Daniel (USPS-T-29) and respectfully requests a timely and full response under oath.

Respectfully submitted,

NEWSPAPER ASSOCIATION OF AMERICA

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**CERTIFICATE OF SERVICE**

I hereby certify that I have this date served the instant document on all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

August 20, 1997

William B. Baker  
William B. Baker

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SHARON DANIEL (NAA/USPS-T29-1-8)

NAA/USPS-T29-1. Please refer to Exhibit USPS-29C, page 3.

- a. Please confirm that "Regular" as used in this exhibit includes the Standard Regular and Standard ECR subclasses, but no non-profit subclasses. If you cannot confirm, please explain why not.
- b. Please explain why letters and non-letters are assumed to have the same unit transportation costs in this exhibit.
- c. Do the unit transportation costs for Enhanced Carrier Route (ECR) mail in this exhibit reflect the current overall level of dropshipping for all Standard A Regular mail? If not, what adjustment is made to the transportation costs to reflect a different level of dropshipping?
- d. Please provide separate unit transportation costs for the average ECR letter and the average ECR non-letter at current levels of dropshipping.
- e. Please provide separate unit transportation costs for the average ECR letter and the average ECR non-letter assuming no dropshipping.

NAA/USPS-T29-2. Please refer to Exhibit USPS-29C, page 3.

- a. Please explain how you derived the mail processing cost of 3.0523 cents per piece for "the 100% DBCS dropship like ECR" letters migrating to Automation 5-Digit mail.
- b. Please explain how you derived the delivery costs of 3.316 cents per piece for "the 100% DBCS dropship like ECR" letters migrating to Automation 5-Digit mail.

NAA/USPS-T29-3. Please refer to Exhibit USPS-29D, page 3. Please confirm that the unit cost avoidances used in this exhibit represent total unit cost savings -- both transportation and non-transportation -- associated with dropshipping.

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NAA/USPS-T29-4. Please refer to Exhibit USPS-29C, page 2. Please explain why the entire dropship savings -- both transportation and non-transportation cost savings -- are added to the ECR mail processing costs when computing the unit costs in this exhibit, rather than the non-transportation cost savings only.

NAA/USPS-T29-5. Please refer to Exhibit USPS-29C, page 3, footnote 5. Please confirm that ECR transportation costs total 0.1877 cents per piece. If you cannot confirm, please provide the correct number.

NAA/USPS-T29-6. Please refer to Exhibit USPS-29C, page 3, footnote 5. Please confirm that Regular Other transportation costs total 0.9196 cents per piece. If you cannot confirm, please provide the correct number.

NAA/USPS-T29-7. Please refer to Exhibit USPS-29D, page 3.

- a. Please confirm that the average Standard ECR letter weighs 1.023 ounces. If you cannot confirm this weight, please provide the average weight of an ECR letter.
- b. Please confirm that the average Standard ECR non-letter weighs 3.138 ounces. If you cannot confirm this weight, please provide the average weight of an ECR non-letter.
- c. Assuming no dropshipment, would the average ECR non-letter have a unit transportation cost equal to 3.067 times the unit transportation cost of the average ECR letter?

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- (i) If no, please explain why transportation costs are not proportional to weight within ECR mail and describe how to compute the difference in the unit transportation cost by shape.

NAA/USPS-T29-8. Please refer to Exhibit USPS-29C, page 2.

- a. Please explain why the mail processing costs for Standard Regular Other (non-ECR) mail have not been adjusted to reflect zero percent dropshipping.
- b. Do the cost differences between letters and non-letters for Standard Regular Other mail in this exhibit include the cost difference arising from differences in the level of dropshipping? If no, what adjustment was made to remove the differences in the level of dropshipping between letters and non-letters?