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

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS HATFIELD TO INTERROGATORY OF NASHUA, DISTRICT, MYSTIC & SEATTLE (NDMS/USPS-T32-23b)

The United States Postal Service hereby files the response of witness Hatfield

to the following interrogatory of Nashua, District, Mystic & Seattle, dated August 8,

1997, which have been redirected from witness David Fronk: NDMS/USPS-T32-23b.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Michael T. Tidwell

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202)268-2998/FAX: -5402 August 22, 1997

RESPONSE OF U.S. POSTAL SERVICE WITNESS HATFIELD TO INTERROGATORIES OF NDMS REDIRECTED FROM WITNESS FRONK

NDMS/USPS-T-32-23.

b. What is the additional mail processing cost for a single two-ounce automatable letter, as opposed to a single one-ounce automatable letter? Do the Postal Service's mail processing cost models identify any additional cost within the range one to three ounces?

RESPONSE:

b. The difference in mail processing cost between a single two-ounce automatable letter and a single one-ounce automatable letter cannot be calculated using the mail flow modeling methodology and existing data described in my testimony. Mail processing cost models are used to develop unit mail processing cost estimates by rate category for the average piece of mail within each rate category. The cost estimates that are developed using the current mail flow model methodology are designed to reflect the mail processing costs associated with a piece of mail that has the average weight within that rate category.

DECLARATION

I, Philip A. Hatfield, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Thits C Hatpiele

Dated: _______

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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.

Michael T. Tidwell

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475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1145 August 22, 1997

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