

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

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POSTAL RATE AND FEE CHANGES, 1997)

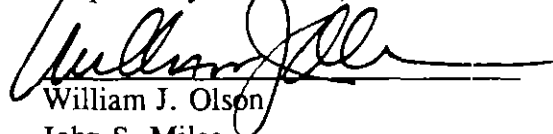
AUG 29 4 42 PM '97
Docket No. R97-1

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

NASHUA PHOTO INC., DISTRICT PHOTO INC.,
MYSTIC COLOR LAB, AND SEATTLE FILMWORKS, INC.
FOURTH INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO POSTAL SERVICE WITNESS DAVID R. FRONK (NDMS/USPS-T32-32-36)
(August 29, 1997)

Pursuant to sections 25 and 26 of the Postal Rate Commission rules of practice and procedure, Nashua Photo Inc. (hereinafter "Nashua"), District Photo Inc. ("District"), Mystic Color Lab ("Mystic"), and Seattle FilmWorks, Inc. ("Seattle") (hereinafter collectively referred to as "NDMS"), proceeding jointly herein, hereby submit the following interrogatories and document production requests. If necessary, please redirect any interrogatory and/or request to a more appropriate Postal Service witness.

Respectfully submitted,



William J. Olson

John S. Miles

Alan Woll

William J. Olson, P.C.

8180 Greensboro Drive, Suite 1070

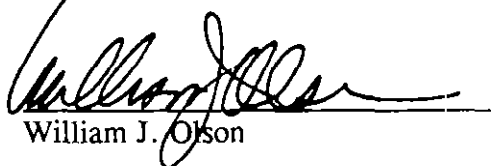
McLean, Virginia 22102-3823

(703) 356-5070

Counsel for Nashua Photo Inc., District Photo Inc.,
Mystic Color Lab, and Seattle FilmWorks, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served by hand delivery or mail the foregoing document upon all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.



William J. Olson

August 29, 1997

NDMS/USPS-T32-32.

Why does the Postal Service offer the BRMAS rate for BRM destinating at facilities where it knows that such BRM will not be processed on automated BRMAS equipment?

NDMS/USPS-T32-33.

From 1995 to 1996 the Postal Service and Brooklyn Union Gas ("BUG") conducted a "test" with Prepaid Courtesy Reply Mail ("PCRM"); see Docket No. MC96-3, response to NM/USPS-T37.

- a. Please explain how the proposal for PRM in this docket is related to the PCRM test.
- b. Did the Postal Service prepare any analysis, summary or other report on the results of that the test with BUG?
- c. If so, please supply as a library reference a copy of each such analysis, summary or other report.
- d. If no analysis, summary or other report concerning the test with BUG was prepared, please explain why not.

NDMS/USPS-T32-34.

- a. Please explain whether Brooklyn Union Gas ("BUG") performed the postage accounting function in the PCRM test.
- b. If so, please describe all steps taken by BUG to perform the postage accounting function, and answer the following: (i) Did BUG count every envelope? (ii) Did BUG use a weight averaging system? (iii) If a weight averaging system was used, how many samples did the Postal Service take during the term of the test?

- c. If so, describe the auditing activities performed by the Postal Service throughout the test.
- d. If not, how was the postage accounting function performed?

NDMS/USPS-T32-35.

Your testimony, at page 34 states that "[t]he discounted letter rate is intended to benefit the customers of large-volume business mailers, such as utility companies or credit card companies."

- a. Please define "large-volume" as you use that term in your testimony.
- b. Under your definition, what is the smallest annual volume that, in your opinion, would qualify a mailer as "large-volume"?

NDMS/USPS-T32-36.

At page 39 of your testimony you state:

"Auditing approaches will be modeled after those currently in use for outbound manifests of bulk mailings. A monthly fee of \$1,000 will be charged to cover Postal Service costs associated with these activities."

- a. Is it your testimony that you expect every mailer using PRM to establish a reverse manifest system? Please explain fully any answer that is not an unqualified affirmative.
- b. In the PCRM test, did Brooklyn Union Gas establish a reverse manifest system?