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

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Postal Rate and Fee Changes, 2001	:	Docket No.	R2001-1

## GREETING CARD ASSOCIATION SECOND SET OF INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS TO UNITED STATES POSTAL SERVICE WITNESS MAURA ROBINSON (GCA/USPS-T29-27-37) (November 30, 2001)

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, Greeting Card Association ("GCA") directs the following interrogatories to United States Postal Service witness Maura Robinson.

Respectfully submitted,

Alan R. Swendiman

Counsel for

**GREETING CARD ASSOCIATION** 

Alan R. Swendiman, Esq. Jackson & Campbell, P.C. 1120-20<sup>th</sup> Street, N.W. Suite 300 South Washington, DC 20036-3437

Tel: (202) 457-1646 Fax: (202) 457-1617

e-mail: aswendiman@jackscamp.com

GCA/USPS-T29-27. Please refer to your response to GCA/USPS-T29-1. Identify with specificity each individual study relied upon in the preparation of your testimony and indicate the matters of fact, if any, for which each such study was relied upon.

**GCA/USPS-T29-28.** Please refer to your response to GCA/USPS-T29-2. Did you confer with any persons outside of the Postal Service? If you did, identify each such person and the subjects addressed.

GCA/USPS-T29-29. Please refer to your response to GCA/USPS-T29-5 and -7. Please provide all studies you have performed or rely upon for your testimony that quantify and/or compare the revenue effects on the Postal Service of your proposal to increase worksharing discounts with the revenue effects that would be expected under alternative levels of such discounts.

**GCA/USPS-T29-30.** GCA/USPS-T29-30. Please refer to your response to GCA/USPS-T29-6.

- a. GCA/USPS-T29-6 did not specifically address First-Class Mail, but sought to ascertain your position on the general economic relationships involved. Would your answer to GCA/USPS-T29-6 be in the affirmative but for the particular suppositions you advance regarding the unit cost / unit revenue relationships you find characteristic of First-Class Mail?
- b. Please confirm that your testimony does not present nor does it reference any testimony quantifying the "factors such as mail characteristics or additional activities that the Postal Service does not perform (and thus cannot be 'avoided') but

which do provide a benefit to the Postal Service" not quantified in Witness Miller's testimony, USPS-T22 at Table 1.

- c. Is it your position that the "mail characteristics or additional activities" that you state cannot be reflected as cost avoidances would be absent if discounts did not exceed cost savings to the Postal Service?
- d. Please identify with as much specificity as possible the factors other than worksharing which you believe could affect the differences in the implicit cost coverages that you present, as between workshared and non-workshared First Class Mail (Letters and Sealed Parcels).

**GCA/USPS-T29-31.** GCA/USPS-T29-31. Please refer to your response to GCA/USPS-T29-10.

- e. Please identify and provide any and all surveys of mailers that you conducted or relied upon in the preparation of your testimony.
- f. Do you rely on witness Bernstein's testimony with respect to electronic diversion for any of the proposals in your testimony? If so, please specify which portions of Mr. Bernstein's testimony you rely on, and for which proposals.
- g. Please provide your understanding, if any, of the relationship between the costs of using e-mail and the costs of sending workshared mail.

**GCA/USPS-T29-32.** Please refer to your response to GCA/USPS-T29-14. Please provide your understanding, if any, of the quantified amount of the revenue changes associated with increasing the discounts by 0.5 cents.

GCA/USPS-T29-33. GCA/USPS-T29-33. Please refer to your response to GCA/USPS-T29-15(a).

- a. Please provide
  - your understanding, if any, of the changes in the avoided cost from those in R2000-1 using the Postal Service's methodology for estimating such costs, and
  - ii. your understanding of why those cost differences have changed.
- b. Is your proposed 0.5 cent increase in the discounts intended, in part, to offset the difference between the avoided costing methodology of the Postal Service and that adopted by the Postal Rate Commission?

**GCA/USPS-T29-34.** Please refer to your response to GCA/USPS-T29-15(b). Please provide all notes of your conversations with Witness Miller.

GCA/USPS-T29-35. Please refer to your response to GCA/USPS-T29-21.

Please confirm that you did not consider the effects of a rate increase on single-piece

First Class letter mail weighing one ounce or less.

GCA/USPS-T29-36. Please refer to your response to GCA/USPS-T29-22(a). Please provide your understanding, if any, of the quantified difference in anticipated postal revenues between what those forecast revenues would be with and without discounts that exceed estimated avoided costs.

**GCA/USPS-T29-37.** Please refer to your response to GCA/USPS-T29-22(b).

- a. Is it your testimony or understanding that revenue would not be foregone if discounts exceed the Postal Service's voided costs
- b. Please identify and provide all accounting studies that address the accuracy with which Postal service's costs of First-Class mail may be subdivided to calculate a separate cost coverage for workshared letters.

## **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.

Alan R. Swendiman

Counsel for GREETING CARD ASSOCIATION