

Before The
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

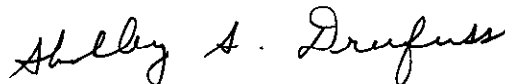
Postal Rate and Fee Changes, 2001)

Docket No. R2001-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS: JOSEPH D. MOELLER (OCA/USPS-T28-7-10)
December 10, 2001

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-1-21, dated September 28, 2001, are hereby incorporated by reference.

Respectfully submitted,



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Acting Director
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OCA/USPS-T28-7. Do you agree with the following statements made by the eminent economist, Alfred E. Kahn, in *The Economics of Regulation: Principles and Institutions*, (1970):

- (a) at page 210 (emphasis added), "[P]rice regulation alone is meaningless except in terms of some specified unit and *quality of service* . . ." If not, why not?
- (b) at page 22, quoting from Charles Stillman Morgan, *Regulation and the Management of Public Utilities*, (1923) at 270-71, "The determination of a rate without a determination of the quality of service rendered would be similar to an individual's agreeing to pay a stipulated sum of money for a commodity without specifying the kind or grade of commodity he expects to receive in return for his outlay." If not, why not?
- (c) at page 24, implying that, "poor service is economically the equivalent of high price . . ." If not, why not?

OCA/USPS-T28-8. Please confirm that nowhere in your testimony do you explicitly consider the degree to which the Postal Service meets/fails to meet service standards for the following subclasses:

- (a) First-Class letters and sealed parcels. If you do not confirm, then explain fully.
- (b) Priority Mail. If you do not confirm, then explain fully.
- (c) Express Mail. If you do not confirm, then explain fully.

OCA/USPS-T28-9. Do you agree that meeting service standards close to one hundred percent of the time is one indicator of a high quality of service? If not, why not?

OCA/USPS-T28-10. Do you agree that a failure to meet service standards for a high percentage of volume is an indicator of low quality of service? If not, why not?

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 Rule 12 of the rules of practice.


Stephanie Wallace

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December 10, 2001