

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

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POSTAL RATE AND FEE CHANGES, 2001

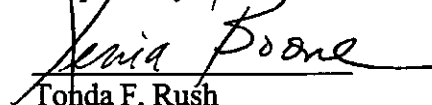
Docket No. R2001-1

FIRST SET OF INTERROGATORIES BY THE
NATIONAL NEWSPAPER ASSOCIATION
TO UNITED STATES POSTAL SERVICE WITNESS
ALTAF H. TAUFIQUE
(NNA/USPS-T34-1-3)

Pursuant to the Commission's Rules of Practice, the National Newspaper Association hereby submits the attached interrogatories to the United States Postal Service

Witness Altaf H. Taufique (NNA/USPS-T34-1-3). If any request should be answered by a different witness, it should be referred to that witness.

Respectfully Submitted,



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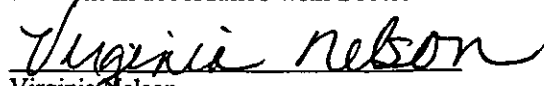
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Counsel for the National Newspaper
Association

CERTIFICATE OF SERVICE

I hereby certify that I have this date served this document in accordance with Section 12 of the Commission's Rules of Practice.

Dated: 12/07/01


Virginia Nelson

**FIRST SET OF INTERROGATORIES OF
THE NATIONAL NEWSPAPER ASSOCIATION TO
UNITED STATES POSTAL SERVICE WITNESS
ALTAF TAUFIQUE (NNA/USPS-T-34-1-3)**

NNA/USPS-T-34-1. Please refer to your testimony with regard to pallets and sacks on page 10. Please provide a list of containerization options, with the exception of sacks, available for low volume Periodical mailings that cannot be commingled.

NNA/USPS-T-34-2. Please refer to page 4 of your testimony where you state: "I am also proposing a change to DMCS 421.45 to limit the destination entry discounts to mail entered at the destination facility," and also to your recognition of the history of cost increases for Periodical mail, referenced on page 6 of your testimony.

a. Please confirm that Periodical mail has received higher-than-system average rate increases in the past two rate cases. If you do not confirm, please explain your answer.

b. Please confirm that some periodicals are entered within a Sectional Center Facility (SCF) zone for delivery within an SCF zone without necessarily passing through the SCF itself. If you do not confirm, please explain your answer.

c. Please confirm that newspaper mail that is typically entered within an SCF zone for delivery within an SCF zone without necessarily passing through the SCF itself may actually be considered "drop-shipped" in the sense that mail is deposited closer to a destination than required of the mailer. If you do not confirm, please explain your answer.

d. Please confirm that through proper bundling and packaging, a Periodical mailer can prepare mail for entry within an SCF zone for delivery within the same SCF zone without requiring opening of the container, sorting or further handling within the SCF. If you do not confirm, please explain your answer.

e. Please confirm that the periodicals involved in question b, c and d would be denied a destination entry discount under your proposal. If you do not confirm, please explain your answer.

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ALTAF TAUFIQUE (NNA/USPS-T-34-1-3)**

NNA/USPS-T34-3. Please refer to MPA/USPS-T-34-8, redirected from you to witness Mayes, where she confirms that no cost analyses have been conducted with regard to DSCF rated pieces entered at the destination facility and those not so entered.

a. If the Postal Service has conducted no studies of the cost impact, upon what costing theory or basis have you made the recommendation to restrict this discount to pieces entered into the destination facility? Please describe this costing theory or basis in detail.

b. If a mail piece were entered at an associate office within an SCF for delivery within the SCF, is it conceivable that such a piece would create no greater attributable cost than the same piece entered at an SCF for delivery within the SCF? If your answer is yes, please explain the circumstances under which that might occur. If your answer is no, please fully explain your answer.

c. Would your answer to 3b depend upon whether transportation normally traveling between the entry associate office and the destination office exists? Please explain your response.

d. Has the Postal Service considered granting the destination entry discount to any mail entered and delivered within the SCF, other than the mail entered directly at the destination facility? If your response is yes, please explain the terms under which the discount might be granted. If your response is no, please explain why such an option was not proposed in this case.