

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

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TAUFIQUE  
TO INTERROGATORIES OF AMERICAN BUSINESS MEDIA AND THE  
MCGRAW-HILL COMPANIES (ABM-MH/USPS-T34-12, 47-49), AND  
CORRECTED RESPONSES TO ABM-MH/USPS-1-5, 17, 19, 20, 22, 24, 32-35,  
41, AND 44-46) [ERRATA]

The United States Postal Service hereby provides the responses of witness Taufique to the following interrogatories of American Business Media and the McGraw-Hill Companies: ABM-MH/USPS-T34-12, filed on December 5, 2001, and ABM-MH/USPS-T34-47 to 49, filed on December 6, 2001. The Postal Service also refiles witness Taufique's responses to ABM-MH/USPS-T34-1-5, 17, 19, 20, 22, 24, 32-35, 41, and 44-46, with a corrected header. These responses were originally filed on December 19, 2001, but the header referred to Magazine Publishers of America, Inc. instead of American Business Media and the McGraw-Hill Companies.

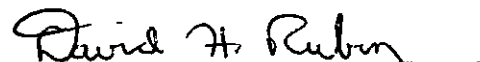
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



David H. Rubin

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2986; Fax -6187  
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**ABM-MH/USPS-T34-12.** Assume that there are Periodicals that cannot be drop shipped for economic or other reasons and do not have the density to use pallets. Assume also that they cannot as a practical matter be co-palletized. Will the proposal for a pallet discount and an editorial pound drop ship discount help mitigate postage rate increases for such periodicals? Will it exacerbate them?

**RESPONSE:**

Let us analyze your question by looking at an example. For simplicity's sake assume that currently a publication pays \$1.00 on average for each piece mailed. Also assume that the profile of this publication exactly matches the billing determinants used in my workpapers. The average rate increase would apply to most components of postage paid. 60 percent of the postage paid by this publication is derived from piece rates. Regardless of the proposal on the dropshipment of editorial pounds, the increase on the piece portion of the postage would remain the same 10.4 percent. Therefore, postage on the piece portion would increase from 60 to 66 cents. The pound portion would account for 40 percent or 40 cents of the current postage. Advertising pounds account for 43.5 percent or 17.4 cents of the pound postage. Applying the average 10.4 percent increase, this will increase from 17.4 cents to 19 cents regardless of the treatment of the editorial pound rate dropship incentive. The editorial pound portion of the postage is 22.6 cents and would increase to 26 cents based on the 13.4 percent proposed increase. But if we applied the average increase of 10.4 percent to this component than this component would increase from 22.6 cents to 25 cents.

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**ABM-MH/USPS-T34-12 (CONTINUED)**

**RESPONSE:**

For this particular piece the exacerbation that you have implied would mean a postage increase from \$1 to \$1.11 instead of \$1.10. Even if the Periodicals contains 100 percent editorial content, and is neither dropshipped nor palletized, the combined postage will increase to \$1.12 versus the \$1.10 average.

Therefore, I believe the proposed rate structure presents a reasonable balance offering editorial pound rate discounts and per-piece palletization discounts to encourage worksharing, while mitigating the effect on the base editorial pound rate.

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**ABM-MH/USPS-T34-47.** Please confirm the following, and explain your answer fully to the extent that you are unable to confirm:

(a) In Docket R97-1, at pages 522-24, the Commission rejected your proposal to depart from the longstanding practice of setting the editorial pound rate for Periodicals mail at 75 percent of the advertising pound rate for Zones 1 & 2, finding that your approach "might diminish the 'widespread dissemination of editorial content through the mail."

(b) The basic editorial pound charge (20.3 cents) proposed by you for Outside County Periodicals mail in this case nevertheless exceeds 75 percent of the proposed advertising pound charge (25 cents) for Zones 1 & 2, and reflects an increase (13.4 percent) significantly above the proposed average increase (10.4 percent) for Outside County Periodicals mail.

(c) The reason for this disproportionate proposed increase in the basic editorial pound charge is that, as stated at pages 11-12 of your testimony, you have also proposed the "partial zoning of editorial pounds" in order to further reward dropshipping of Outside County Periodicals mail.

(d) Of the TYAR Periodicals mail volume that the Postal Service estimates would be entered in the proposed DADC zone for editorial pounds, 84 percent is already being entered at the DADC, and the remainder is already being entered in the DADC service territory, as indicated in your response to MPA/USPS-T34-10(a)-(c).

(e) To that extent at least, the proposed "partial zoning of editorial pounds" would not reduce Postal Service costs overall, but rather would decrease the revenues it received from Periodicals mailers already entering their mail at the DADC, and shift that revenue burden to those Periodicals mailers who rely on the basic editorial pound rate.

(f) The same conclusion applies with respect to TYAR Periodicals mail volume that the Postal Service estimates would be entered in the proposed DSCF and DDU zones for editorial pounds.

**RESPONSE:**

(a) Partially confirmed. The Postal Service proposal in Docket No. R97-1 dealt with the cost coverage of editorial pounds, an issue that the Commission had

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**ABM-MH/USPS-T34-47 (CONTINUED)**

**RESPONSE:**

raised in previous dockets. The proposal put forth by the Postal Service in Docket No. R97-1 would have increased the overall share of revenue raised by the rates paid for editorial pounds. In this docket the Postal Service's proposed methodology does not burden the editorial pounds more than their historical share.

(b) Confirmed. But I take exception to "significantly above the proposed average increase". The rate increase in one cell has to be considered in relation to its contribution to the overall postage. The analysis provided in my response to your interrogatory ABM-MH/USPS-T34-12 is helpful in putting things in perspective.

(c) Partially confirmed. Instead of "reward dropshipping" I would use "provide a further incentive to promote additional dropshipment" to describe the rate design initiative.

(d-f) Confirmed. The TYAR volume in this proposal reflects essentially the same billing determinants as Base Year with the exception of the new rate cells that were estimated (these exceptions are discussed in my response to MPA/USPS-T34-7). The practice of using constant billing determinants is not new in the context of postal ratemaking, especially in the area of Periodicals rate design. When an exact estimate of increased worksharing is not available, constant billing determinants are used for rate design purposes. This does not imply that the Postal Service is not expecting a change in volume in the rate cells or

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**ABM-MH/USPS-T34-47 (CONTINUED)**

**RESPONSE:**

categories for which new incentives are provided. Obviously the growth in DADC, DSCF or DDU volume would reduce postal revenues but at the same time there should be a corresponding and greater reduction in cost as a result of the new volume being dropshipped or palletized.

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**ABM-MH/USPS-T34-48.** Please refer to your statement in response to Presiding Officer's Information Request No. 3, Question 3(a), that under your proposal, "regardless of rate design changes, editorial pounds would not be burdened by more than their historical share."

(a) Please confirm that while your statement may be true as to the editorial pounds of the Outside County Periodicals subclass as a whole, it is not necessarily true as to the editorial pounds of any particular Outside County Periodicals mailer.

(b) Please confirm that under your proposal, the editorial pounds of all Outside County Periodicals mailers who relied upon the basic editorial pound rate (historically set at 75 percent of the Zone 1 & 2 advertising pound rate), rather than the proposed DADC, DSCF, and/or DDU editorial pound rates, would indeed be "burdened by more than their historical share."

(c) With reference to your testimony at p. 6, lines 21-25, please state whether you believe that the public policy of promoting the widespread dissemination of editorial content (and thereby "binding the nation together") should apply with any less force to periodicals characterized by a relatively high editorial percentage but lacking sufficient circulation density (or comailing opportunity) to be dropshipped economically. Please explain your answer fully.

**RESPONSE:**

(a) Confirmed, but only for some mailers. Some Outside County mailers who are able to take advantage of the proposed incentives would be able to reduce their overall postage. The postage plus the cost of additional worksharing would be less than the postage alone absent worksharing. Some mailers who may be not be able to take advantage of these incentives will be burdened a bit more than if these worksharing discounts were not offered. The Postal Service's proposal maintains this delicate balance between economic efficiency and public policy. See my response to ABM-MH/USPS-T34-12 to understand the relative magnitude of this burden.

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**ABM-MH/USPS-T34-48 (CONTINUED)**

**RESPONSE:**

(b) Confirmed. Again this burden when put in perspective is not as significant as the difference between 10.4 and 13.4 percent as pointed out in my response to your interrogatory ABM-MH/USPS-T34-47, subpart b.

(c) I do not believe that the public policy of promoting the widespread dissemination of editorial content (and thereby "binding the nation together") should apply with any less force to periodicals characterized by a relatively high editorial percentage but lacking sufficient circulation density (or comailing opportunity) to be dropshipped economically. Having said that, I also believe that economic realities facing the Periodicals class requires the Postal Service, Postal Rate Commission, and the mailers to explore new means to improve what appears to be broken with this class, i.e. above-average cost increases, and to do it in a fashion that achieves the dual objective of public policy and economic efficiency.



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**ABM-MH/USPS-T34-49.** Please refer to your response to MPA/USPS-T34-19(c), where you state that a reason for limiting the proposed dropship discounts for editorial pounds, by passing through only 50 percent of the cost avoidances, was “[m]aintaining the balance between economic efficiency (dropship incentives for editorial pounds) and dissemination of information (maintaining a reasonable unzoned editorial pound rate).”

(a) Please confirm that in your view, a greater than 50 percent passthrough would fail to maintain an appropriate balance between economic efficiency and dissemination of information. If you do not confirm, please explain your answer fully.

(b) Please confirm that under your proposal, the 50 percent passthrough is not intended simply as a temporary measure (until a future rate case when greater passthroughs could be phased in with supposedly less impact on high-editorial Periodicals mailers who cannot dropship), but rather is intended to be preserved in future cases, similar to the historical practice of setting the editorial pound rate at 75 percent of the Zone 1 & 2 advertising pound rate. If you do not confirm, please explain your answer fully.

(c) Please specify the Outside County Periodicals editorial pound rates that would result if you had used a 100 percent passthrough rather than a 50 percent passthrough, and explain how your calculations can be verified.

**RESPONSE:**

(a) Confirmed. In the context of the current filing, we feel that a 50 percent passthrough would maintain an appropriate balance between economic efficiency and dissemination of information.

(b) I cannot comment on the Postal Service’s proposals in future rate cases, but I can assure you that there is no vendetta within the Postal Service against high-editorial Periodicals mailers that cannot dropship. The Postal Service has sought to maintain a balance in this filing and would hope to do the same thing in future.

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**ABM-MH/USPS-T34-49 (CONTINUED)**

**RESPONSE:**

(c) A 100-percent passthrough would increase the unzoned editorial pound rate to 21.2 cents instead of the 20.3 cents proposed by the Postal Service. The DADC editorial pound rate would be 18.7 cents, the DSCF editorial pound rate would be 16.6 cents, and the DDU editorial pound rate would be 12.2 cents.

My calculations can be verified by changing the following cells in the worksheet

“Pound Data\_Ed”:

1. In the edit mode, remove “/2” from cells C1, C15 and C16.
2. Change cell C22 from “Round((1-0.75)\*0.203, 3)” to “Round((1-0.75)\*0.212, 3)”.

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**ABM-MH/USPS-T34-1.** When was the last time that the editorial pound rate for Periodicals differed depending upon where the publication is entered into the mail and where it is ultimately to be delivered by the Postal Service?

**RESPONSE:**

Probably never. The research presented by my illustrious predecessor Dr. Robert W. Mitchell's testimony on behalf of the Postal Service in Docket No. R90-1 is enlightening. He starts his summary from prior to 1917 when there was no distinction between editorial and advertising pounds. A flat rate was charged for the total weight.

Then things changed in 1917. And the reason for change as provided in the 1917 Annual Report of Postmaster General Albert S. Burlison was that the cost of transporting and handling second-class mail was "several times the revenue received therefrom." The House of Representatives passed a bill that would have applied zoned rates to the total weight of all second-class publications, with no distinction between editorial and advertising content. The Senate initially approved the zoned rate concept for both editorial and advertising content, then later amended the bill to leave the rates as they were. A compromise solution of zoned advertising and a flat editorial rate was adopted by a conference committee.

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**ABM-MH/USPS-T34-2.** In the Commission's Opinion in Docket No. R90-1 that is cited at lines 15-17 of page 5 of USPS-T-34, the Commission stated at page V-122: "To diminish the encouragement of widespread dissemination of editorial matter throughout this nation by zoning the editorial rates strikes at the balance of the treatment between editorial and advertising matter in second class rate designs. We find nothing on this record to persuade us that we should abandon that balance in regular rate second class." Please list and explain all reasons why abandonment of that balance is now appropriate.

**RESPONSE:**

The proposal by the Postal Service in this docket does not zone the editorial rates. It merely provides additional incentives for mailers to enter the mail closer to its destination by passing along a portion of the cost savings to editorial pound rates if mail is entered at specified destinating locations. The Postal Service is not abandoning the balance discussed by the Commission in Docket No. R90-1 (cited in question). Our goal is to maintain this balance and simultaneously provide signals which in our estimation would lead to better preparation, service, cost, and cost coverage for this subclass.

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**ABM-MH/USPS-T34-3.** Please explain fully why, in the view of Mr. Taufique, the Postal Service should take account of “social policy objectives” in setting rates as suggested at page 5 of USPS-T-34, lines 15-17.

**RESPONSE:**

The Postal Service is required to consider the educational, cultural, scientific, and *informational value of the mail matter delivered. Periodicals are a class of mail* with recognized ECSI value represented by the nonadvertising (or editorial) matter. In fact DMCS 412.2 states that a General Publication must be originated for the purpose of disseminating information of a public character, or devoted to literature, the sciences, art, or some special industry.

The presumption is that editorial matter has educational, cultural, scientific, or informational value and that the broad dissemination of such matter is in the national interest. Recognizing this value of Periodicals mail in rate design is the “social policy objective” from my perspective. Witness Moeller (USPS-T-28) considers this value in his rate policy testimony (USPS-T-28 at 30).

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**ABM-MH/USPS-T34-4.** Please explain fully what is meant by the “concerns” for “dissemination of information” that allegedly are addressed by Mr. Taufique’s proposal as stated at lines 18-19 of page 5 of USPS-T-34.

**RESPONSE:**

One perspective about the concerns for dissemination of information relates only to maintaining a uniform editorial pound rate for all zones. The Postal Service agrees with this notion, but at the same time is concerned about the long-term health of the subclass that provides the vehicle for this dissemination. Our proposal maintains the unzoned uniform editorial pound rate but provides appropriate dropship price signals that would lead to lower combined cost for the class.

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**ABM-MH/USPS-T34-5.** Please explain fully how the “concerns” for “dissemination of information” that are referenced at lines 18-19 of page 5 of USPS-T-34 are specifically addressed in the USPS’s proposal for separate editorial drop ship pound rates in this case.

**RESPONSE:**

“Concerns” for “dissemination of information” are specifically addressed by maintaining the unzoned editorial pound rate but at the same time providing the dropship pricing signals which in our view would lead to lower combined cost for the class.



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**ABM-MH/USPS-T34-17.** At lines 14-17 of page 6 of USPS-T34, Mr. Taufique states, "Larger destination entry discounts would provide further incentive for smaller and medium mailers to combine their mailings or versions to achieve the volumes necessary to justify the transportation for deeper downstream entry." With respect to this statement, please explain specifically how, in Mr. Taufique's opinion, the mailings by individual small and medium mailers would have to be combined and prepared in order to justify the transportation for deeper downstream entry. Provide examples if possible.

**RESPONSE:**

Postal Service requirements on combining the mailings can be found in DMM

E230.4.0.

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**ABM-MH/USPS-T34-19.** At page 7 of Mr. Taufique's testimony, he states that advertising pounds make up 44% of the total Periodicals weight but that he is allocating 50% of the transportation costs to advertising pounds. In response to POIR No. 5, question 3, Mr. Taufique states: "Distributing approximately 44 percent of the transportation cost to the calculation of advertising pound rates is more appropriate than the 50% allocation in the Postal Service's proposal."

- (a) Does this statement represent a concession that the filing has been done incorrectly and should be modified to reflect a 50% allocation? If not, what does it represent?
  
- (b) Please provide the rates that would result from substituting a 44% allocation for the 50% allocation.

**RESPONSE:**

(a) The allocation of transportation cost to calculation of advertising cost could have been done using the allocation of revenues to advertising pounds – approximately 53 percent. Or it could be based on actual advertising pounds – 44 percent. I chose to allocate 50 percent because that mitigated the impact on higher zones compared to a 53 percent allocation.

While that allocation remains the Postal Service proposal, my POIR No. 5 response signals participants and the Commission that the Postal Service would not oppose a 44 percent allocation,

(b) See the attached sheet for rates calculated with the 44 percent allocation of transportation cost to the calculation of advertising pounds.

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**ABM-MH/USPS-T34-20.** At lines 11-13 of page 7 of USPS-T34, Mr. Taufique states that: "Second, the allocation of transportation cost to advertising pounds is designed to mitigate the impact of the larger dropship discounts on advertising pounds entered in higher zones." With respect to this statement, please state the advantages and disadvantages of the 50% allocation of transportation costs to advertising pounds as compared with alternative allocations based on the advertising revenue percentage and on the advertising weight percentage.

**RESPONSE:**

See my responses to ABM-MH/USPS-T34-19 and Presiding Officer's Information

Request No. 5, question 3.

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**ABM-MH/USPS-T34-22.** At lines 23-25 of page 7 of USPS-T34, Mr. Taufique states: "In other words, only half of the transportation and non-transportation cost avoidances derived for advertising pounds are applied to the calculation of editorial pound dropship rates." With respect to this statement, please provide workpapers with supporting references that demonstrate that 50 percent of the transportation and non-transportation cost avoidances derived for advertising pounds are applied to the calculation of editorial pound dropship rates.

**RESPONSE:**

Worksheet Pound Data\_Editorial, for Outside County in Library reference LR-J-107 (page 20) is where this 50 percent passthrough takes place. Rows 14, 15 and 16, under the heading "Rate Savings from Zone 1 & 2 Rate" is where the cost avoidances for advertising pounds are divided by 2. In essence that is a 50 percent passthrough of these cost avoidances to calculate the dropship rates for editorial pounds.

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**ABM-MH/USPS-T34-24.** On page 8 of USPS-T-34, at lines 3-5, Mr. Taufique states: "The Postal Service believes that this additional incentive may help both large and small mailers and has the potential to move significant volume of mail to destinating facilities." With respect to this statement, please confirm that any Periodical mailer whose mailings include advertising that currently faces zoned advertising pound rates already has an incentive to move volumes of mail to destinating facilities. Please explain any answer other than a confirmation.

**RESPONSE:**

Confirmed. There is already an incentive for advertising pounds, but advertising pounds account for only 43.5 percent of total pounds in the Outside County subclass. The Postal Service's proposal extends a portion of that incentive to the other 56.5 percent which is the editorial content in terms of weight.

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**ABM-MH/USPS-T34-32.** At lines 23-24 of page 8 of USPS-T34, Mr. Taufique states: "Also the Postal Service proposal provides time for mailers to take a fresh look at comailing and commingling." With respect to this statement, please define the terms "comailing" and "commingling" and provide examples of each.

**RESPONSE:**

Please see my response to CRPA-NFIP/USPS-T-34-7.

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**ABM-MH/USPS-T34-33.** At line 5 of page 9 of USPS-T34, Mr. Taufique states that he has made use of "average haul" figures in determining pound rates for Periodicals in this case. With respect to these figures, please provide underlying documents that support the derivation of these average haul figures and explain the period over which these average haul data were measured.

**RESPONSE:**

The average haul miles used in the calculation of zoned advertising pound rates have been in use by the Postal Service and the Commission since at least Docket No. R87-1. The only revision came about in Docket No. R90-1, when the average haul for Zones 1 & 2 was increased from 133 miles to 189 miles. The same average haul miles were used in Dockets No. R90-1, R94-1, MC95-1, R97-1 and R2000-1. Scanning the workpapers and interrogatory responses for previous cases reveals that the original estimation of the average haul miles dates back to the mid-1970s.

The revision that was made in the current filing was the addition of average haul for destination ADC. The derivation of DADC average haul is discussed in my response to Presiding Officer's Information Request No. 3, question 2.

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**ABM-MH/USPS-T34-34.** At line 6 of page 9 of USPS-T34, Mr. Taufique states that he has used “the calculation of pound miles to allocate distance-related transportation cost.” With respect to this statement, please define “distance-related transportation costs,” and explain how the transportation cost totals that are alleged to be distance-related in this case can be validated or verified.

**RESPONSE:**

A quote from page 3 witness Pickett’s (USPS-T-17) direct testimony provides a brief description of distance-related transportation cost.

The rate designs for certain zone-rated products rely on drawing a distinction between distance- and non-distance-related transportation costs. The calculation of these costs follows the Commission’s methodology used in prior cases. The base year and test year calculations appear in an Excel spreadsheet in USPS Library Reference J-43. Test Year FedEx network costs are treated as non-distance related in light of the fact that there is no mileage component to the rates FedEx charges for transportation service.

These calculations can be validated and verified by reviewing Library Reference LR-J-43 filed by witness Pickett (USPS-T-17).



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**ABM-MH/USPS-T34-35.** At lines 6-7 of page 9 of USPS-T34, Mr. Taufique states that: "the allocation of residual revenue requirement on a per pound basis" is based on traditional ratemaking practices established in previous cases. Please define "revenue requirement" as used in that statement, and explain the basis for your definition (including, without limitation, any legal basis).

**RESPONSE:**

I use "Revenue Requirement" to refer to the overall revenue that Periodicals should contribute to the Postal Service's overall revenue requirement. In this context the residual revenue requirement means the amount of money to be raised from pound rates after transportation cost is allocated. Essentially it is the difference between the total amount of dollars allocated to pound rates (40 percent of total Outside County Periodical revenue) minus the purchased transportation cost in the test year.

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**ABM-MH/USPS-T34-41.** At lines 24 of page 11 and lines 1-2 of page 12 of USPS-T34, Mr. Taufique states: "the partial zoning of editorial pounds should go a long way in sending correct signals for dropship decisions." Please explain fully what Mr. Taufique means by "correct signals" and why "correct signals" for dropship decisions are not now sent through zoned rates for advertising pounds in Periodicals.

**RESPONSE:**

"Correct signals" in this context implies that pricing signals would allow mailers to perform the work when it is cheaper for them to do the work. These signals generally lead to lowest combined cost for transporting, processing, and distributing mail pieces in question.

Correct signals are now sent through zoned rates for advertising pounds in Periodicals but advertising pounds make up less than 50 percent of the pounds mailed by the industry. The Postal Service's proposal extends a portion of these "correct signals" to the rest of the pounds.

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**ABM-MH/USPS-T34-44.** With respect to USPS-LR-J-107, please confirm that the TYAR proportion of Periodicals revenue to be derived from piece rates can be correctly altered solely by changing the general design input that appears in row 15 of page 19 of 32 of the Outside County Worksheet Rate Design Input page. If other spreadsheet adjustments are required, please provide a detailed explanation and a revised Periodicals rate design spreadsheet that demonstrates how this proportion could correctly be altered.

**RESPONSE:**

Confirmed assuming that you are referring to row 15 of page 17 of 30.

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**ABM-MH/USPS-T34-45.** With respect to USPS-LR-J-107, please confirm that the TYAR proportion of Transportation Cost that is Distance Related can be correctly altered solely by changing the general design input that appears in row 18 of page 19 of 32 of the Outside County Worksheet Rate Design Input page. If other spreadsheet adjustments are required, please provide a detailed explanation and a revised Periodicals rate design spreadsheet that demonstrates how this proportion could correctly be altered.

**RESPONSE:**

Confirmed assuming that you are referring to row 18 of page 17 of 30.

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TO INTERROGATORIES OF  
AMERICAN BUSINESS MEDIA AND THE MCGRAW-HILL COMPANIES

**ABM-MH/USPS-T34-46.** With respect to USPS-LR-J-107, please confirm that the TYAR pas&roughs of unit cost savings for piece discounts in Periodicals can be correctly altered solely by changing the general design inputs that appear in rows 5 to 20 of page 25 of 32 of the Outside County Worksheet Rate Design Input page. If other spreadsheet adjustments are required, please provide a detailed explanation and a revised Periodicals rate design spreadsheet that demonstrates how these proportions could correctly be altered.

**RESPONSE:**

Confirmed assuming that you are referring to rows 5 to 20 of page 23 of 30.

## DECLARATION

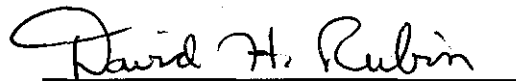
I, Altaf H. Taufique, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

  
\_\_\_\_\_  
ALTAH H. TAUFIQUE

Dated: DECEMBER 21, 2001

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

  
David H. Rubin

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
December 21, 2001