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

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MILLER TO INTERROGATORIES OF MAJOR MAILERS ASSOCIAITON REDIRECTED FROM WITNESS SCHENK (MMA/USPS-T43-28(C) AND (D))

The United States Postal Service hereby provides the responses of witness

Miller to the following interrogatories of Major Mailers Association: MMA/USPS-T43-28

(C) and (D), filed on December 14, 2001.

The interrogatories have been redirected from witness Schenk to witness Miller for response.

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

Michael T. Tidwell

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2998; Fax –5402 December 26, 2001

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MILLER TO INTERROGATORIES OF MAJOR MAILERS ASSOCIATION REDIRECTED FROM WITNESS SCHENK

MMA/USPS-T43-28 Please refer to your response to Part B of Interrogatory MMA/USPS-T43-13, where you were asked to explain why metered letters cost almost 2 cents more than bulk metered letters. Your answer does not explain how it is possible that single piece metered letters can cost so much more than bulk metered letters, other than to say that they are not necessarily equivalent.

- C. Please explain all differences between single piece metered letters and BMM letters, if you can, when each reaches the incoming secondary operation where the letters are sorted to carrier sequence prior to delivery.
- D. Please confirm that there were 25,512,201,000 metered letters mailed at First-Class single-piece rates in BY 00, and that some unknown, probably very small percentage, consisted of BMM. If you cannot confirm, please explain.

RESPONSE:

- (C) A cost model for First-Class single-piece metered letters has not been developed. Please see the response to MMA/USPS-T22-62(B).
- (D) I am unable to confirm the volume figure, given that no citation has been provided. The percentage of First-Class single-piece metered letters is unknown. Please see the responses to MMA/USPS-T22-66(E5) and (E6). In addition, the volume of BMM letters currently submitted to the Postal Service does not necessarily have a bearing on whether BMM letters should be the benchmark, given the Commission's expanded definition described in PRC Op. R2000-1 at [5089].

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 o
Practice.

Michael T. Tidwell

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 December 26, 2001