

UNITED STATES OF AMERICA  
Before The  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION  
OFFICE OF THE CONSUMER ADVOCATE

Experimental Changes to Implement )  
Capital One NSA )

Docket No. MC2002-2

OFFICE OF THE CONSUMER ADVOCATE  
INTERROGATORIES TO UNITED STATES POSTAL SERVICE  
WITNESS CHARLES L. CRUM  
(OCA/USPS-T3-5-10)  
October 11, 2002

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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-1-2 dated October 3, 2002, are hereby incorporated by reference.

Respectfully submitted,

  
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OCA/USPS-T3-5. Please refer to USPS-LR-1/MC2002-2, page 1.

- (a) In line 1., please explain in detail the activities encompassed by the heading "Carrier Preparation." Also, identify the location where such activities take place.
- (b) In line 2., please explain in detail the activities encompassed by the heading "Clerk Handling." Also, identify the location where such activities take place.
- (c) In line 3., please explain in detail the activities encompassed by the heading "CFS Processing." Also, identify the location where such activities take place.
- (d) In line 4., please explain in detail the activities encompassed by the heading "Mailstream Processing." Also, identify the location where such activities take place.
- (e) In Column D, please explain in detail the meaning and purpose of the figures in the column, "Frequency."

OCA/USPS-T3-6. Please refer to USPS-LR-1/MC2002-2, page 1.

- (a) In line 1., "Carrier Preparation," Column A, please confirm that the figure 1,370,471, consists of First-Class Mail, Periodicals Mail, Standard A Mail, and Standard B Mail. If you do not confirm, please explain.
- (b) In line 2., "Clerk Handling," Column A, please show all calculations used to derive the figure 670,618.
- (c) In line 2., "Clerk Handling," Column B, please confirm that the cost per piece figure of \$0.2711 is calculated as follows:  $\$243139 / 896,877$ . If you do not confirm, please explain.

- (d) In line 3., "CFS Processing," Column H, please show all calculations used to derive the percentage figure 0.35.

OCA/USPS-T3-7. Please refer to USPS-LR-1/MC2002-2, page 1.

- (a) Please confirm that the weighted cost per piece of \$0.5347 for physical returns is the same weighted cost per piece that would be calculated for any First-Class mailer that receives physical returns in the same manner as Capital One. If you do not confirm, please explain and provide the weighted cost per piece for physical returns.
- (b) Please confirm that the weighted cost per piece of \$0.5347 for physical returns is the same weighted cost per piece that would be calculated for any First-Class mailer that receives the physical return of mailpieces endorsed "Forwarding Service Requested" (or no endorsement). If you do not confirm, please explain and provide the weighted cost per piece for physical returns.
- (c) Please confirm that the weighted cost per piece of \$0.5347 for physical returns is the same weighted cost per piece that would be calculated for any First-Class mailer that receives the physical return of mailpieces endorsed "Return Service Requested." If you do not confirm, please explain and provide the weighted cost per piece for physical returns.
- (d) Please confirm that the weighted cost per piece of \$0.5347 for physical returns is the same weighted cost per piece that would be calculated for any First-Class mailer that receives the physical return of mailpieces endorsed "Temp—Return

Service Requested.” If you do not confirm, please explain and provide the weighted cost per piece for physical returns.

- (e) Please confirm that the weighted cost per piece of \$0.5347 for physical returns is the same weighted cost per piece that would be calculated for any First-Class mailer that receives the physical return of mailpieces endorsed “Address Service Requested.” If you do not confirm, please explain and provide the weighted cost per piece for physical returns.

OCA/USPS-T3-8. Please refer to USPS-LR-1/MC2002-2, page 2.

- (a) Please confirm that the weighted cost per piece of \$0.3321 for electronic Address Change Service is the same weighted cost per piece that would be calculated for any First-Class mailer that receives electronic Address Change Service in the same manner as proposed for Capital One in the Negotiated Service Agreement (NSA). If you do not confirm, please explain and provide the weighted cost per piece for electronic Address Change Service.
- (b) Please confirm that the weighted cost per piece of \$0.3321 for electronic Address Change Service is the same weighted cost per piece that would be calculated for any First-Class mailer that receives the electronic “return” of mailpieces endorsed “Change Service Requested” (Option 2) at no charge. If you do not confirm, please explain and provide the weighted cost per piece for the electronic “return” of mailpieces endorsed “Change Service Requested” (Option 2) at no charge.

OCA/USPS-T3-9. Please refer to your testimony at page 5, lines 6-9, where it states that you are adjusting your estimate "to remove the costs associated with collection of postage due which is not applicable to Capital One[s] First-Class Mail pieces." Also, please refer to USPS-LR-1/MC2002-2, page 1.

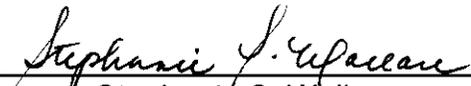
- (a) With respect to the Physical Return Costs of USPS-LR-1, please explain and show all calculations used to adjust your estimate to remove the costs associated with the collection of postage due.
- (b) With respect to the physical return of undeliverable-as-addressed (UAA) First-Class Mail, please explain in detail under what circumstances the Postal Service will collect postage due.
- (c) With respect to the physical return of UAA First-Class Mail, please explain in detail under what circumstances the Postal Service will not collect postage due.

OCA/USPS-T3-10. Please refer to Attachment A, page 1, of your testimony.

- (a) Please confirm that Capital One's total First-Class Mail volume in Fiscal Year 2001 was 1,259,522,464 (see the testimony of Witness Elliot, COS-T-2, Exhibit 2). If you do not confirm, please explain.
- (b) Please reconcile the "Total Capital One First-Class Presort Letters" volume figure of 1,151,030,366 in Column (1) of Attachment A, page 1, with the volume figure in part (a) of this interrogatory.

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 S. Wallace

Washington, D.C. 20268-0001  
October 11, 2002