

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

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Experimental Rate and Service Changes To  
Implement Negotiated Service Agreement With  
Capital One Services, Inc.

Docket No. MC2002-2

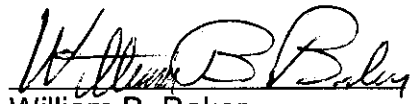
**NEWSPAPER ASSOCIATION OF AMERICA  
INTERROGATORIES TO  
UNITED STATES POSTAL SERVICE WITNESS CHARLES L. CRUM  
(NAA/USPS-T3-1-10)  
October 17, 2002**

The Newspaper Association of America hereby submits the attached  
interrogatories to United States Postal Service witness Charles L. Crum (USPS-T-3)  
and respectfully requests a timely and full response under oath.

Respectfully submitted,

NEWSPAPER ASSOCIATION OF AMERICA


By:

  
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**CERTIFICATE OF SERVICE**

I hereby certify that I have this date served the instant document on all  
participants requesting such service in this proceeding in accordance with section 12 of  
the Rules of Practice.

October 17, 2002

  
William B. Baker

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NAA/USPS-T3-1: Please confirm that your testimony does not attempt to account for the costs incurred by Postal Service executives and other personnel in planning and negotiating the NSA with Capital One. If you cannot confirm, please explain why not.

NAA/USPS-T3-2: Please provide an estimate of the costs incurred by Postal Service executives and other personnel in planning and negotiating the NSA with Capital One. If you cannot confirm, please explain why not.

NAA/USPS-T3-3: Did you perform any calculations of net institutional cost contributions taking into account the alternative discount structure in which discounts would begin at 1.025 billion pieces? If so, please provide the calculations. If not, please explain why not.

NAA/USPS-T3-4: Postal Service witness Wilson estimates that 85% of ACS mail will receive electronic notification. What would happen to the 15% of Capital One mail that does not receive electronic notification? How are the associated costs calculated and how do they affect the \$8.2 million institutional contribution?

NAA/USPS-T3-5: Have you included the costs to the Postal Service of litigating this case in your estimated costs of the NSA?

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NAA/USPS-T3-6: Are the costs to the Postal Service of litigating this case attributable to First Class Mail generally?

NAA/USPS-T3-7: Please confirm that your calculations of the net contribution effect of the NSA does not include any possible loss of contribution from a reduction by Capital One in the amount of Standard mail solicitations sent during the term of the NSA. If you cannot confirm, please explain why not.

NAA/USPS-T3-8: Please refer to page 4, lines 11 to 14 of your testimony. Are you assuming that the "new" mail volume does not, in the absence of the volume discounts due to the NSA, consist of mail that otherwise would have been mailed at Standard mail rates? If your response is negative, please explain why not.

NAA/USPS-T3-9: Please confirm that you estimate the net contribution from "new volume" under the NSA to be \$1.8 million in the first year. If you cannot confirm, please explain why not.

NAA/USPS-T3-10: Please confirm that you estimate the discount leakage from mail volume that Capital One would mail even in the absence of the rate discounts as \$6.7 million. If you cannot confirm, please explain why not.