

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Experimental Changes to Implement
Capital One NSA

Docket No. MC2002-2

PRESIDING OFFICER'S INFORMATION REQUEST NO. 1

(Issued October 23, 2002)

The proponents are requested to provide the information described below to assist in developing a record for the consideration of their request. In order to facilitate inclusion of the requested material in the evidentiary record, either the Postal Service or Capital One Services, Inc., as appropriate, is to have a witness attest to the accuracy of the answers and be prepared to explain to the extent necessary the basis for the answers. The answers are to be provided by November 4, 2002.

1. In Exhibit 2 of his testimony (COS-T-2), witness Elliott presents monthly Capital One volumes of customer mail and First-Class and Standard mail solicitations for Fiscal Years 2000, 2001 and 2002. For the months of August and September 2002, the Standard mail solicitations volumes are missing. Additionally, on pages 3 and 4 of his testimony, witness Elliot points out that the increase in First-Class Mail solicitations during an eight-month period (October 2001 to May 2002) in FY 2002 was a "temporary deviation" from Capital One's historical volume levels "due to the unique, anomalous post-9/11 environment". This leaves the Commission with useful historical volume information for only two fiscal years (2000 and 2001). To assist the Commission and interested parties in evaluating Capital one's volume trends, please provide annual volumes of customer mail and First-Class and

Standard mail solicitations for Fiscal Years 1996 through 1999, and the Standard mail volumes for August and September 2002.

2. Please refer to USPS-T-3, Attachment A, page 1. Please provide the same breakdown of First-Class volumes by rate category sent by Capital One in FY 2001 separately for customer mail and for solicitations.
3. Under the terms of the agreement, the Postal Service will no longer return to Capital One First-Class mail pieces that cannot be delivered or forwarded. Please describe the means by which the Postal Service will dispose of this mail, and provide an estimate of any costs and/or revenues resulting from its disposal.
4. Witnesses Jean (COS-T-1) and Elliot (COS-T-2) present estimates of Capital One's First-Class volume for the test year before and after rates, respectively. Has the Postal Service independently estimated these volumes? If so, please provide the estimates, showing all calculations. If not, why not?
5. Witness Crum (USPS-T-3) presents an estimate of the impact of the proposal on the Postal Service's FY 2003 finances. Has the Postal Service estimated the impact of the proposal on the Postal Service's finances over the full duration of the experiment? If so, please provide the estimate, showing all calculations. If not, why not?


George A. Omas
Presiding Officer