Postal Rate Commission Submitted 11/5/2002 4:05 pm Filing ID: 35724

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

EXPERIMENTAL RATE AND SERVICE CHANGES TO IMPLEMENT NEGOTIATED SERVICE AGREEMENT WITH CAPITAL ONE SERVICES, INC.

Docket No. MC2002-2

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS CRUM TO INTERROGATORY OF NEWSPAPER ASSOCIATION OF AMERICA (NAA/USPS-T3-11)

The United States Postal Service hereby provides its response to the following interrogatory of Newspaper Association of America: NAA/USPS-T3-11, filed on October 25, 2002.

The 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

Nan K. McKenzie

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202) 268-3089 Fax –5402 November 5, 2002

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS CRUM TO INTERROGATORY OF NEWSPAPER ASSOCIATION OF AMERICA

NAA/USPS-T3-11: What will be the cost to the Postal Service of providing electronic address notification service for pieces of First-Class Mail that are physically forwarded under CSR Option2? Please provide any calculations used to develop your answer.

RESPONSE:

The cost of providing electronic address notification can be measured as the cost of additional keystrokes for handling pieces for which there is ACS notification and forwarding versus pieces for which there is only forwarding. It is my understanding that there are anywhere from 7 to 23 additional keystrokes required of the CFS operators when there is ACS notification and forwarding versus forwarding alone. Table 5.2.2 of USPS-LR-J-69/R2001-1 provides a cost estimate for these additional keystrokes of 6.6 cents per piece. However, any costs would likely be more than offset by the cost savings accruing to the Postal Service from the reduction of forwarded Capital One mail.

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.

Nan K. McKenzie

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 November 5, 2002