

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

UNITED STATES POSTAL SERVICE INTERROGATORIES
AND REQUEST FOR PRODUCTION OF DOCUMENTS
TO OFFICE OF CONSUMER ADVOCATE WITNESS SMITH
(USPS/OCA-T1-5)

Pursuant to rules 25 and 26 of the Rules of Practice and procedure, the
United States Postal Service directs the following interrogatories and requests for
production of documents to Office of Consumer Advocate witness Smith:
USPS/OCA-T1-1-5.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking

Nan K. McKenzie

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January 17, 2003

USPS/OCA-T1-1. Using that methods you discuss in your testimony and any other method you choose, please forecast Capital One's mail volume for October, November, and December. Please explain the rationale underlying your forecast. If you cannot provide a forecast, please explain.

USPS/OCA-T1-2. Assume that Capital One's forecast for FY2003 for the Before Rates Volume was the following:

- a) 1.2 Billion pieces
- b) 1.3 Billion pieces

Please describe in detail how such a forecast would affect your testimony.

USPS/OCA-T1-3. Please confirm that in evaluating the proposed rate, classification, and fee changes in the Postal Service's Request, the Commission should consider the entire impact on contribution and not just the impact on one part of the proposed changes.

USPS/OCA-T1-4. Please refer to the changes in rates, classification, and fees proposed by witness Callow. Also, please refer to Capital One Services, Inc. mailing volume history which is presented through July 2002 in Exhibit 2 to COS witness Elliott's testimony, COS-T-2, Tr. 2/207, and presented for August and September 2002 in the response to OCA/COS-T2-5, Tr. 2/238. Given your testimony, please state how that Postal Service would set Capital One's discount threshold and what the threshold would be. If you cannot provide a threshold and a rationale for the threshold, please explain why not.

USPS/OCA-T1-5. Please describe the forecasts of volumes you have done for publicly-held companies and the method you used to forecast them.

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

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