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

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POSTAL RATE AND FEE CHANGES, 1997)

SEP Docket No. R97-1

NASHUA PHOTO INC., DISTRICT PHOTO THE SECRETARY

MYSTIC COLOR LAB, AND SEATTLE FILMWORKS, INC.

FIRST INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

TO POSTAL SERVICE WITNESS CARL G. DEGEN (NDMS/USPS-T12-1-2)

(September 10, 1997)

Pursuant to sections 25 and 26 of the Postal Rate Commission rules of practice, Nashua Photo Inc. (hereinafter "Nashua"), District Photo Inc. ("District"), Mystic Color Lab ("Mystic"), and Seattle FilmWorks, Inc. ("Seattle") (hereinafter collectively referred to as "NDMS"), proceeding jointly herein, hereby submit the following interrogatories and document production requests. If necessary, please redirect any interrogatory and/or request to a more appropriate Postal Service witness.

Respectfully submitted,

William J. Olson

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Counsel for Nashua Photo Inc., District Photo Inc., Mystic Color Lab, and Seattle FilmWorks, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served by hand delivery or mail the foregoing document upon all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.

William I Okon

September 10, 1997

NDMS/USPS-T12-1

Please refer to your response to NAA/USPS-T12-2.

- a. Please explain how costs represented by the 8,128 tallies in the "Not-Identified Mixed Containers" category are distributed to the classes and subclasses of mail.
- b. Please explain how costs represented by the 88,854 tallies in the "Not-Handling" category are distributed to the classes and subclasses of mail.
- c. How is the variance of unit cost estimates affected by the fact that 48 percent of all tallies are either "Not-Identified" or "Not-Handling" mail?

NDMS/USPS-T12-2

Please refer to your response to NAA/USPS-T12-2 and provide the following information for FY96:

- a. The total number of mail processing tallies (at all facilities).
- b. The total number of direct tallies.
- c. The number of mixed mail tallies (broken down into: "Counted" mixed mail item,
 "Uncounted" mixed mail item, "Identified" mixed mail container, and "Not-Identified"
 mixed mail container categories.
- d. The number of "Not-Handling" mail tallies.