

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

RECEIVED

POSTAL RATE AND FEE CHANGES, 1997)

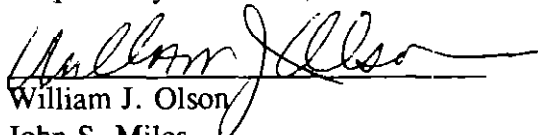
SEP 12 4 50 PM '97
Pocket No. R97-1

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

NASHUA PHOTO INC., DISTRICT PHOTO INC.,
MYSTIC COLOR LAB, AND SEATTLE FILMWORKS, INC.
FIRST FOLLOW-UP INTERROGATORIES AND
REQUESTS FOR PRODUCTION OF DOCUMENTS
TO UNITED STATES POSTAL SERVICE (NDMS/USPS-1-2)
(September 12, 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

John S. Miles

Alan Wolf

William J. Olson, P.C.

8180 Greensboro Drive, Suite 1070

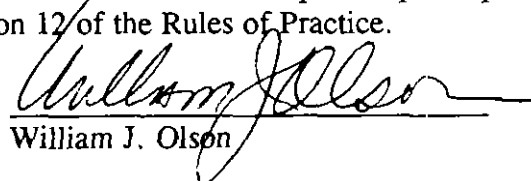
McLean, Virginia 22102-3823

(703) 356-5070

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 this document upon all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.



William J. Olson

September 12, 1997

NDMS/USPS-1

Please refer to your response to NDMS/USPS-T32-24, redirected from witness Fronk.

- a. Please furnish a copy of the July 13, 1972 report by JITCO entitled "A Special Analysis of Nonstandard Physical Attributes, by Weight Increment, for First-Class and Airmail Letters and Cards" as a library reference.
- b. NDMS/USPS-T32-24(b) requested "the time period from which the raw data underlying these percentages [which LR-H-112 relied upon] were compiled or derived." Your response provided the date of the report which published the data. Please respond to the question, which asked for the time period from which the raw data were compiled or derived.

NDMS/USPS-2

Please refer to your responses to NDMS/USPS-T32-29(a), and NDMS/USPS-T32-8(e), both redirected from witness Fronk.

- In your response to NDMS/USPS-T32-29(a), you appear to state that **24.9 million** First-Class single piece parcels weigh 1 ounce or less.
- In your response to NDMS/USPS-T32-8(e), you state that, of the total volume of First-Class single piece parcels that were used to estimate an average cost of \$0.7457, 0.8 percent were one ounce or less. Assuming the cross-section of parcels selected to estimate the average cost for the nonstandard surcharge to be representative of the distribution of single piece parcels in First-Class, approximately 0.8 percent of all First-Class single piece parcels should be one ounce or less.

- Base Year volumes for First-Class single piece parcels were not found.

However, LR-H-129, at page II-3, estimates total FY 1998 (with reclassification reform) First-Class single piece parcel volume to be 451,446,000. Assuming this estimate is accurate, and approximately 0.8 percent of all First-Class single piece parcels are one ounce or less, then approximately **3.6 million** First-Class single piece parcels would be one ounce or less during FY 1998.

- a. Does the “1996 Nonstandard Volume” which you provided in response to NDMS/USPS-T32-29(a)-(b) include First-Class single piece mailpieces weighing more than one ounce?
- b. If so, are such mailpieces considered to be subject to the nonstandard surcharge? Please explain any affirmative answer fully.
- c. If not, please confirm that there were 24.9 million First-Class single piece parcels weighing one ounce or less during 1996, and provide the source of this estimate.
- d. If confirmed, please reconcile the total 1996 volume of single piece parcels weighing one ounce or less (24.9 million) with the identified percentage of single piece parcels weighing one ounce or less (0.8 percent) selected to calculate per piece parcel cost used to calculate the First-Class single piece nonstandard surcharge.
- e. Please provide the numerator and the denominator used to determine that 0.8 percent of all single piece First-Class parcels are one ounce or less.