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

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POSTAL RATE AND FEE CHANGES, 1997 :

DOCKET NO. R97-1
POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

**PARCEL SHIPPERS ASSOCIATION
SECOND SET OF INTERROGATORIES
TO UNITED STATES POSTAL SERVICE
WITNESS JOSEPH D. MOELLER (USPS-T36-5-8)
(September 17, 1997)**

The Parcel Shippers Association (PSA) requests United States Postal Service to respond, fully and completely to the following interrogatories and requests for production of documents pursuant to Rules 25 and 26 of the Commission's Rules of Practice and Procedure.

Respectfully submitted,



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Dated: September 17, 1997

INTERROGATORIES OF PARCEL SHIPPERS ASSOCIATION
TO UNITED STATES POSTAL SERVICE WITNESS MOELLER

PSA/USPS-T36-5. In your response to PSA/USPS-T26-1, redirected from witness Seckar, you state that: "Revenue for flats only, or residual shape only, cannot be calculated since the weight profile and destination entry profile is not available for these two groupings." Does this mean that the Postal Service is unable to state whether, assuming the application of the 10 cent per piece surcharge, Standard (A) flats will have less cost coverage than Standard (A) residual shapes? If the answer is anything other than in the affirmative, please explain how the Postal Service would be able to compute cost coverage if it does not know the revenues from either category.

PSA/USPS-T36-6. Your response to PSA/USPS-T37-2, redirected from witness Mayes, states that: "Some Standard Mail (A) parcels will be processed on sorters equipped with barcode readers." Do you have any basis for an estimation of what percentage of Standard (B) parcels compared to Standard (A) parcels will be processed on sorters equipped with barcode readers? If your response is affirmative, please supply the estimates.

PSA-USPS-T36-7. In your response to PSA/USPS-T36-4(c), redirected from witness Mayes, you state that it would not be surprising if the amount of cost differences that end up being averaged between letters and non-letters is greater than the amount of cost differences that is being averaged between flats and residual-shape pieces. Does that answer suggest the probability that there is a more serious problem of


**INTERROGATORIES OF PARCEL SHIPPERS ASSOCIATION
TO UNITED STATES POSTAL SERVICE WITNESS MOELLER**

cross-subsidization between letters and non-letters than there are between flats and residual pieces? Please explain any answer that is not in the affirmative.

PSA/USPS-T36-8. In your response to DMA/USPS-T4-23, redirected from witness Moden, you state that if a barcode discount were proposed for Standard (A) parcels that: "It would essentially split this relatively small segment of Standard Mail (A) into two smaller groups. . . ." Please provide the total volume of this segment of Standard (A) Mail and explain why you believe that that volume of mail is "relatively small," and please explain why splitting this kind of mail into two groups rather than one would be "counter to the intended simplicity of the per piece surcharge."

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.



Timothy J. May

Dated: September 17, 1997