

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

POSTAL RATE AND FEE CHANGES, 1997

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Docket No. R97-1

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

**SECOND SET OF INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS BY THE ASSOCIATION OF
ALTERNATE POSTAL SYSTEMS TO THE UNITED STATES POSTAL
SERVICE WITNESS MOELLER
(AAPS/USPS-T36-7-11)**

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the Association of Alternate Postal Systems hereby submits the attached interrogatories and requests for production of documents to the United States Postal Service witness Moeller. If any request should be answered by a different witness, it should be referred to that witness.

Respectfully submitted,

Bonnie S. Blair

Bonnie S. Blair, Esq.
THOMPSON COBURN
700 14th Street, N.W., Suite 900
Washington, D.C. 20005

Counsel for the Association
of Alternate Postal Systems

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing documents in accordance with Section 12 of the Commission's Rules of Practice.

Bonnie S. Blair

Bonnie S. Blair, Esq.

Dated: September 17, 1997

SECOND INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS
OF ALTERNATE POSTAL SYSTEMS (AAPS)
TO THE UNITED STATES POSTAL SYSTEM WITNESS MOELLER (USPS-T-36)
(AAPS/USPS-T36-7-11)

AAPS/USPS-T36-7. Please refer to Library Reference H-182, the study of Standard mail unit cost by weight increment.

(a) At page 3, the report states that carrier street costs are "distributed to weight increment in proportion to mail volume." Does this mean that the study assumes that all carrier street costs are piece related, not weight related? If not please explain.

(b) If the response to part (a) is in the affirmative, please provide the basis for the assumption that carrier street costs are entirely piece related.

AAPS/USPS-T36-8. Assume that on day one a carrier delivers 500 identical Standard pieces each weighing 1 ounce, for a total of 31.25 pounds, and on day two he delivers 500 Standard pieces each weighing 7 ounces, for a total of 218.75 pounds. Assume further that all other mail to be delivered is identical. Will there be any difference in carrier street costs on the two days? Please explain.

AAPS/USPS-T36-9. Please refer to Library Reference H-182, the study of Standard mail unit cost by weight increment. At page 2, it states that "all other costs were distributed in proportion to pieces." Please describe the major costs contained in "all other costs" and, for each, explain why they were distributed in proportion to pieces.

AAPS/USPS-T36-10. Please refer to Library Reference H-182, the study of Standard mail unit cost by weight increment. At Table 1 for Carrier Route mail, it shows that, for example, the attributable cost for a 13-ounce piece is the same as for a 1-ounce piece, that cost per piece declines from 1 ounce to 3 ounces, that a 4-ounce piece costs 39% more than either a 3-ounce piece or a 5-ounce piece, that a 9-ounce piece costs 14% less than an 8-ounce piece, etc. In your view, does a study that produces these results need any improvement? If so, what improvements do you suggest? If not, do you believe that these results are accurate?

AAPS/USPS-T36-11. Please explain how the LIOCATT cost for carrier casing is developed for use in Library reference H-182. Does the result assign greater unit costs as weight increases?