

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Postal Rate and Fee Changes, 1997)

Docket No. R97-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORY TO UNITED STATES POSTAL SERVICE
WITNESS JOSEPH D. MOELLER
(OCA/USPS-T36-27)
September 17, 1997

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits an interrogatory. Instructions included with OCA interrogatories 1-7 to the United States Postal Service dated July 16, 1997, are hereby incorporated by reference.

Respectfully submitted,



GAIL WILLETTE

Director

Office of the Consumer Advocate



SHELLEY S. DREIFUSS

Attorney

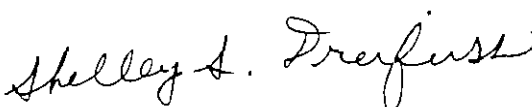
OCA/USPS-T36-27. This interrogatory follows up on your response to OCA/USPS-T36-25, parts e. and i. You state that: "A better comparison could be drawn using the figures in Exhibit USPS-29C, page 3 rather than . . . page 2, although this would still not be a direct comparison."

- a. Explain in full why page 3 makes for a better comparison than page 2.
- b. Explain in full why this still would not be a "direct comparison."
- c. Making the substitution you suggest in part e., [i.e., the unit cost differential between Basic ECR letters and Basic ECR flats would be equal to 1.8804 cents; i.e., 8.2324 cents (unit mail processing and delivery cost for basic ECR non-letters) — 6.352 cents (unit mail processing and delivery cost for basic ECR letters) = 1.8804 [Source: USPS-29C, page 3]]; then isn't it true that the Basic ECR letter/non-letter unit differential of 1.3563 (PRC Op. MC95-1, page V-265, Table V) has grown to at least 1.8804 cents? If you do not agree, please explain.
- d. In response to part i. of OCA/USPS-T36-25 you express a reluctance to agree that there is a "growth in the differential."
 - i. Isn't it true, however, that in response to NAA/USPS-T36-10, you state that the attribution of fewer mail processing costs underlying rates in the current proceeding leads to a reasonable expectation that presort-related cost differentials tend to be smaller in this case than they would be if the mail processing costs were attributed at roughly the same levels as Docket No. MC95-1? If you do not agree, please explain.

- ii. Isn't it equally true that the attribution of fewer mail processing costs in this case than, say, in Docket MC95-1, tends to reduce the Basic ECR letter/non-letter differential in a like manner? If you do not agree, please explain.
- iii. If you do agree with the tendency posited in subpart ii. above, then hasn't there been even greater growth in the Basic ECR letter/non-letter differential than was noted in part c. above? If you do not agree, please explain.

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.


SHELLEY S. DREIFUSS
Attorney

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