

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

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-15, 16, 17b THROUGH 20b)**

The United States Postal Service hereby files its responses to the following interrogatories of the Office of the Consumer Advocate, dated September 2, 1997: OCA/USPS-15, 16, 17b through 20b.

Each interrogatory is stated verbatim and is followed by the response.

Objections to OCA/USPS-17a and 20c were filed on September 11, 1997.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



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September 16, 1997

RESPONSE OF U.S. POSTAL SERVICE TO INTERROGATORIES OF THE
OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-15. Please refer to LR H-226, "Qualitative Market Research - Prepaid Reply Mail Product Concept In-Depth Interviews with Businesses - Final Report," ("report") dated May 2, 1997.

- a. Confirm that this library reference was filed with the Commission on August 18, 1997, that it was not submitted with the Postal Service's Request in this docket, and was only submitted in response to Presiding Officer's Information Request No. 1. If not confirmed, please explain.
- b. Please explain why the Postal Service commissioned the report and the underlying set of interviews.
- c. Did the Postal Service anticipate when it commissioned the report that the results of the report would be submitted with the Postal Service's Request that forms the basis for this proceeding? Please explain.
- d. Please submit all documents relating to (b) and (c) herein.

RESPONSE:

- (a) Confirmed.
- (b) See USPS-LR-H-226, pages I and 6-7 (section 1.0), and pages ii and 9 (section 2.0).
- (c) The Postal Service commissioned the report at a time when it was still not resolved with certainty when the current rate request would be filed or what new classification proposals it would contain. Accordingly, it was not known at the time that the study was commissioned whether its results would be submitted to the Commission when the request was filed.
- (d) See the response to 15(b). There are no documents which respond to 15(c).

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OCA/USPS-16. Please refer to the set of interrogatories filed on September 2, 1997, to Postal Service witness Fronk, OCA/USPS-T32-57-105.

- a. Comment on the proposition that many of the statements and findings in the report indicate a negative prognosis for mailer acceptance of implicit PRM (as implicit PRM is defined in the report).
- b. Comment on the proposition that many of the statements and findings in the report indicate a negative prognosis for mailer acceptance of the Postal Service's Prepaid Reply Mail ("PRM") and Qualified Business Reply Mail ("QBRM") proposals in this proceeding.

RESPONSE:

(a) The Postal Service notes that mailer acceptance of implicit PRM (as defined in the report) is moot since the proposal presented in the testimony of witness Fronk is fundamentally different from implicit PRM. Please see the response of witness Fronk to OCA/USPS-T32-90.

In any event, the report represents summaries of interviews with 10 interviewees and is not statistically projectible to businesses as a whole. Again, please see the response of witness Fronk to OCA/USPS-T32-90.

(b) The report does not reflect mailer reaction to QBRM as it was not a part of the interviews. Please see response to Part (a).

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OCA/USPS-17. Please describe all reports, studies, and surveys commissioned by the Postal Service on or after July 1, 1996, that have not been filed in this docket.

- a. List the title of all such reports, studies, and surveys, a description of their purpose, and the completion dates (or expected completion dates) of such reports, studies, and surveys
- b. From the list in (a) indicate all that were commissioned for the purpose or the potential purpose of submitting them in this docket.
- c. Submit all reports, studies, and surveys that conform to the description in (b).

RESPONSE:

- (a) Objection filed.
- (b) The Postal Service has submitted all reports, studies, and surveys which were commissioned for the purpose or the potential purpose of submitting them in this docket. The Postal Service has also submitted some which were commissioned for other purposes.
- (c) See the response to 17(b).

RESPONSE OF U.S. POSTAL SERVICE TO INTERROGATORIES OF THE
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OCA/USPS-18. Please describe the policy of the Postal Service with regard to submitting reports, studies, and surveys in a proceeding, where such reports, studies, and surveys contain statements and findings that are adverse or potentially adverse to the Postal Service's position in a proceeding.

RESPONSE: Beyond compliance with the rules of proceedings in which it is engaged, the Postal Service has no disclosure policy which differentiates reports, studies, and surveys on the basis of whether they "contain statements and findings that are adverse or potentially adverse to the Postal Service's position in a proceeding."

RESPONSE OF U.S. POSTAL SERVICE TO INTERROGATORIES OF THE
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OCA/USPS-19. Please describe the policy of the Postal Service with regard to the retention of reports, studies, and surveys, where such reports, studies, and surveys contain statements and findings that are adverse or potentially adverse to the Postal Service's position in a proceeding.

RESPONSE: *Beyond compliance with the rules of proceedings in which it is engaged, the Postal Service has no retention policy which differentiates reports, studies, and surveys on the basis of whether they "contain statements and findings that are adverse or potentially adverse to the Postal Service's position in a proceeding."*

RESPONSE OF U.S. POSTAL SERVICE TO INTERROGATORIES OF THE
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OCA/USPS-20. Please refer to the OCA's Courtesy Envelope Mail ("CEM") Proposal in Docket No. MC95-1

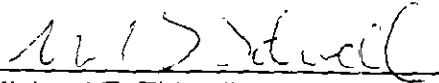
- a. Please list all reports, studies, and surveys (whether or not in final form) relating to the CEM proposal, or to any proposal substantially similar to the CEM proposal.
- b. Please supply the documents meeting the definition in (a) if such documents have not already been submitted to the Commission in this proceeding.
- c. Please list all pending reports, studies, and surveys (whether or not in final form) relating to the CEM proposal, or to any proposal substantially similar to the CEM proposal.

RESPONSE:

- (a) None has been produced since the decision of the Governors in Docket No. MC95-1, except those reflected in materials filed by the Postal Service in this proceeding.
- (b) See the response to part (a).
- (c) Objection filed.

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.


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September 16, 1997