

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 UNITED STATES POSTAL SERVICE WITNESS O'HARA
TO INTERROGATORIES OF THE NATIONAL NEWSPAPER ASSOCIATION
(NNA/USPS-T30-1 AND 2, 5 AND 6)**

The United States Postal Service hereby files the responses of witness O'Hara to the following interrogatories of the National Newspaper Association, filed September 5, 1997: NNA/USPS-T30-1 and 2, 5 and 6.

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

Responses to NNA/USPS-T30-3 and 4 are forthcoming.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Michael T. Tidwell

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September 19, 1997

**RESPONSE OF U.S. POSTAL SERVICE WITNESS O'HARA TO
INTERROGATORIES OF THE NATIONAL NEWSPAPER ASSOCIATION**

NNA/USPS T-30-1. Please confirm that effective service standards for Periodicals mail are overnight delivery up to 150 miles (Zones 1 and 2), 2nd day delivery up to 300 miles (Zone 3), 3rd day delivery up to 600 miles (Zone 4), 4th day delivery up to 1,000 miles (Zone 5), 5th day delivery up to 1,400 miles (Zone 6), 6th day delivery up to 1,600 miles (Zone 7) and 7th day delivery up to 1,800 miles (Zone 8). If you cannot confirm, please provide accurate service standards or target delivery dates for Periodicals mail.

RESPONSE:

I am informed that transit time commitments for all mail classes are based on the three-digit ZIP prefixes of the origin and destination. Mileage-based "rules of thumb" are not as accurate as the actual ZIP to ZIP tables.

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NNA/USPS T-30-2. Please confirm that the effective service standard for within-county mail is overnight. If you cannot confirm, please explain.

RESPONSE:

I am informed that, as explained in my response to NAA/USPS-T30-1, transit time commitments are ZIP-code based. ZIP code boundaries do not necessarily conform strictly to political boundaries such as counties. Where overnight commitments prevail, they may not align with county boundaries in some cases, and overlap in others.

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NNA/USPS T-30-5. Did you consider any USPS data on on-time delivery or service complaints in your consideration of 39 U.S.C §3622(b)(2)? If you did, please provide any workpapers or notes explaining the effect of that calculation on your cost coverage recommendation for Periodicals mail. If you did not, please explain why not.

RESPONSE:

Please see my response to VP-CW/USPS-T30-4; no calculations were utilized, and no notes or workpapers were generated.

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NNA/USPS T-30-6. Please confirm that the value to a subscriber of a time-sensitive periodical is reduced if delivery is delayed beyond the service standard or targeted delivery date. How would you calculate the effect upon value of persistent late delivery of the following circumstances:

- a. a weekly newspaper delivered more than 7 days after publication date to a subscriber within a retail trade zone?
- b. a daily newspaper delivered more than two days after publication date to a subscriber within a retail trade zone?
- C. a weekly or daily newspaper delivered in batches of two or three to a subscriber living in a distant zone?
- d. the effect upon a merchant whose newspaper advertisement is delivered to a subscriber in his retail trade zone a day after the sale being advertised has concluded? Please confirm that the merchant's perception of value would affect his decision to advertise in the future, which in turn would affect the newspaper's financial viability, as well as the size of the newspaper issue in future mailstreams.

RESPONSE:

Almost by definition, if a "time-sensitive" periodical is delivered after its "targeted delivery date," there would be some effect on its value to subscribers.

a-d. I am unable to calculate, quantify, or rank the effects on value resulting from the hypothesized scenarios.

DECLARATION

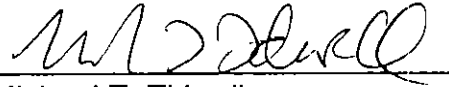
I, Donald J. O'Hara, hereby declare, under penalty of perjury, that the foregoing Docket No. R97-1 interrogatory responses are true to the best of my knowledge, information, and belief.


Donald J. O'Hara

9-19-97
Date

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.

A handwritten signature in black ink, appearing to read "Michael T. Tidwell", written over a horizontal line.

Michael T. Tidwell

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September 19, 1997