

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

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POSTAL RATE AND FEE CHANGES, 1997

POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY  
Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF  
THE AMERICAN BUSINESS PRESS  
(ABP/USPS-16)

The United States Postal Service hereby provides its response to the following interrogatory of the American Business Press: ABP/USPS-16, filed on September 5, 1997.

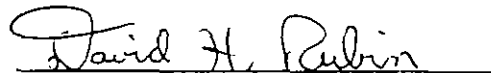
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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September 19, 1997

RESPONSE OF UNITED STATES POSTAL SERVICE  
TO THE INTERROGATORY OF AMERICAN BUSINESS PRESS

ABP/USPS-16

[a] On July 1, 1997, when the Board of Governors met in public session in Washington, DC, packages of information describing the filing and its impact both on subclasses and on typical (as described in the literature) pieces of mail in each subclass were made available to the press and to the public. Please provide all documents that the Marketing Department of USPS or other sections of USPS made available to the public subsequent to the meeting that included the kind of information about the proposed rates described above.

[b] With specific reference to the particular examples given in the USPS releases and documents, described in [a] above, please reproduce below the examples shown in USPS literature on or about July 1, 1997 for various types of periodicals, the percentage increase and per piece postage rates that appeared next to those examples, and the assumptions as to each example's mailing profile that led to the projected impact on each type of periodical (e.g. percent non-advertising content, weight, degree of presort, and automation capability, and zone usage).

RESPONSE:

Regarding [a] above, the three responsive documents are being filed in library *reference H-269*.

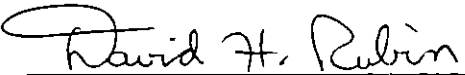
Regarding [b] above, these documents were produced prior to the Board of Governors July meeting, using draft rates. The actual filing included some different Periodicals rates. The data and spreadsheets used to produce the Periodicals examples shown on page 27 of LR-H-269 were based on the draft rates and appear to have been discarded. Nevertheless, in response to this interrogatory, tables 1 and 2 below, have been developed depicting profiles and rate impacts under the current Periodicals rates and the proposed Periodicals rates in Docket No. R97-1. These two tables use profiles that are likely to be similar to those used to produce the LR-H-269 materials, but may be different in some respects. Note that there are only minor difference between the results in these new tables and the examples presented on page 27 of LR-H-269.

Table1: National Magazine					
Weighted Average Piece Rate					
		Rates		Weighted	Weighted
	Factors	Proposed	Current	Proposed	Current
Basic Auto Flat	0.1	0.221	0.209	0.0221	0.0209
5-Digit Auto	0.5	0.186	0.175	0.093	0.0875
Carrier Route Basic	0.4	0.128	0.119	0.0512	0.0476
Weighted Avg. Piece Rate				0.1663	0.156
Editorial Piece Discount					
Percent Editorial	56.0%			Proposed	Current
Editorial Discount per piece				-0.059	-0.057
Editorial Piece Discount				-0.03304	-0.03192
Piece Rate Postage				0.13326	0.12408
Ad Pounds & Non-Ad Pounds Per Piece					
Weight Per Piece	0.55				
Ad pounds	0.242				
Non-Ad pound	0.308				
Weighted Average Pound Rate Postage					
		Rates		Weighted	Weighted
	Factors	Proposed	Current	Proposed	Current
Ad Rate (Zone 7)	0.1	0.416	0.388	0.042	0.039
Ad Rate (Zone 6)	0.2	0.361	0.336	0.072	0.067
Ad Rate (Zone 5)	0.7	0.305	0.292	0.214	0.204
Weighted Average Piece Rate Postage				0.327	0.310
Ad Pounds Per Piece	0.242				
Pound Rate Postage				0.079	0.075
Non-Advertising Pound Postage					
Percent Editorial	56.0%			Proposed	Current
Non-Advertising Pound Rate		0.174	0.161		
Non-Ad Weight Per Piece	0.308				
Non-Advertising Pound Postage				0.030	0.028
Postage Per Piece					
Postage Per Piece				0.242	0.227
Percent Increase					6.6%

Table 2: Local Newspaper					
				Weighted	Weighted
<i>Pound Rates:</i>	Factor			Proposed	Current
Delivery Unit	40%	0.117	0.116	0.047	0.046
General	60%	0.131	0.126	0.079	0.076
Weighted Avg. Pound Rate				0.125	0.122
Weight Per Piece	0.28				
Pound Postage				0.035	0.034
<b>Piece Rates:</b>					
Level BASIC NON-AUTOMATION	34%	0.090	0.082	0.0306	0.02788
LEVEL CARRIER ROUTE	66%	0.045	0.044	0.0297	0.02904
Piece Postage				0.0603	0.05692
Total Postage				0.095	0.091
Percent Increase					4.8%

## CERTIFICATE OF SERVICE

I hereby certify that I have this day 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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