

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

Postal Rate and Fee Changes, 2005 : Docket No. R2005-1
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FIRST SET OF INTERROGATORIES OF TIME WARNER INC.
TO UNITED STATES POSTAL SERVICE WITNESS LOETSCHER
(TW/USPS-T32-1-5)
(May 20, 2005)

Pursuant to sections 25, 26 and 27 of the rules of practice, Time Warner Inc. directs the following interrogatories to United States Postal Service witness Loetscher (USPS-T-32).

If witness Loetscher is incapable of providing an answer to any question, it is requested that an answer be provided by the Postal Service as an institution or by another person capable of providing an answer.

Respectfully submitted,

s/ _____
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FIRST SET OF INTERROGATORIES TO WITNESS LOETSCHER (USPS-T-32)

TW/USPS-T32-1 In Excel spreadsheet "Periodicals Control LR.xls," contained in LR-K-92, you carry out a transformation of a table of Periodicals mail preparation characteristics developed in Docket No. R2000-1, to a table meant to approximate the corresponding FY2004 mail preparation characteristics.

- a. Please confirm that the above is an accurate summary of a function performed by spreadsheet "Periodicals Control LR.xls." If not confirmed, please provide a more accurate description.
- b. Please confirm that the R2000-1 Periodicals data on which your transformation starts are shown in cells G19:N49 of worksheet LR-I-87 in the above mentioned Excel spreadsheet. If not confirmed, please explain.
- c. Please confirm that the only FY2004 data applied in the transformation are: (1) the FY2004 outside county volume in each of the seven presort/auto/non-auto based rate categories; and (2) the percent of outside county volume entered on pallets. If not confirmed, describe any other FY2004 data that you use. Please note that the question refers only to the transformation of R2000-1 data to FY2004, not the subsequent LR-K-92 transformations to account for the test year impact of skin sack elimination and the L008 labeling list.
- d. Please confirm that the R2000-1 data were based on a data collection performed in FY98, controlled to be consistent with FY98 billing determinant data. If not confirmed, when was it conducted?
- e. In the original FY98 data collection, precisely what criteria were used to determine whether a mail piece would be defined as machinable or non-machinable? Please state also whether those criteria are the same as those that apply today for AFSM-100 machinability. If they are not the same, please state whether you made any attempt to adjust the original data accordingly and, if you did make such an adjustment, explain how and where (in which spreadsheet) it was done.

TW/USPS-T32-2 LR-K-91 describes a Periodicals data collection that included: (1) mail.dat files on 733 publications with circulation over 15,000; and (2) a separate data collection for publications with circulation under 15,000, which involved counts and observations of sampled flats, bundles, sacks and pallets from a total of 343 sampled publications.

- a. Please confirm that the above is a correct summary description of the data collection documented in LR-K-91. If not confirmed, please make the necessary corrections.
- b. Please confirm that all the results of this data collection that are applied in the current rate filing, including LR-K-92, are contained in the Excel spreadsheet "Tables.xls," filed with LR-K-91. If not confirmed, please identify all other tabulations of mail characteristics data used by you or any other USPS witness that are from the data collection described in LR-K-91 but cannot be derived from the data in "Tables.xls."
- c. Were the specific applications that you describe the only reasons for the data collection effort described in LR-K-91? If not, please describe all other applications the data collection was intended for, whether or not they are included in the present rate filing.

TW/USPS-T32-3 Please consider the R2000-1 Periodicals mail characteristics data that are the subject of Interrogatory TW/USPS-T32-1, as tabulated in cells G19:N49 of worksheet LR-I-87 in Excel spreadsheet "Periodicals Control LR.xls." Additionally, please consider the information on worksheet "Ave Bundles" in the same Excel spreadsheet, which contains two tables titled: "LR-I-87 Regular Rate & Nonprofit Periodicals Mail Characteristics, Pieces by Container Type and Package Type;" and "LR-I-87 Regular Rate & Nonprofit Periodicals Mail Characteristics, Package Count by Container Type and Package Type."

- a. In the case of Periodicals for which mail.dat files are available, is there any part of the mail characteristics data referred to above whose FY2004 equivalent cannot be obtained from a suitably selected set of mail.dat files? If yes, please describe the type of information that mail.dat files in your opinion could not provide.
- b. In the case of Periodicals with circulation under 15,000 per issue, for which you conducted a separate data collection with the survey instruments described in LR-K-91, is there any part of the mail characteristics data referred to above whose FY2004 equivalent could not be extracted from your new data collection effort? If yes, please describe all the information you believe the new data collection could not have provided and any change in survey instruments that would have been needed to capture that information.
- c. Why, when you had collected much newer data both on large and small publications that would appear to include all the mail characteristics data presented in LR-K-92, did you choose instead to

just modify the FY98 data, collected before the AFSM-100, before any AFSM-100 scheme based labeling list and before all the new discounts introduced in R2001-1 and later, so as to match a few numbers from the FY2004 billing determinants?

- d. Did you use the mail.dat files you collected to derive estimates of the number of pieces per package for different package presort levels, container presort levels, container type or any other characteristics? If yes, please provide that information, or indicate where it is included in the present rate filing.
- e. Does the Postal Service have an updated set of mail characteristics data, based either on the data collection you describe in LR-K-91 or on another data collection performed later than FY98? If yes, please provide copies of such information.
- f. Does the Postal Service plan to develop an updated set of mail characteristics data, with a level of detail equal to or better than the data from LR-I-87, based either on the data collected in LR-K-91 or on another new data collection? If yes, when is such information expected to be available?

TW/USPS-T32-4

- a. Please consider the Periodicals volume from Periodicals with mailed circulation of 15,000 or more per issue. Roughly what portion of that volume is today documented by mail.dat files?
- b. Please consider the Periodicals volume from Periodicals with mailed circulation between 5,000 and 15,000 pieces per issue. Roughly what portion of that volume is today documented by mail.dat files?
- c. Is it fair to say that for the portion of the Periodicals mail volume that is documented by mail.dat files, collection of mail characteristics data today is simply a matter of downloading a suitable set of electronic files that already are being submitted on a regular basis? Please explain any negative answer.

TW/USPS-T32-5 Please consider the Periodicals entry point data that you presented as LR-J-114 in Docket No. R-2001-1.

- a. In the case of Periodicals for which mail.dat files are available, is there any part of the entry point data referred to above whose FY2004 equivalent cannot be obtained from a suitably selected set of mail.dat files? If yes, please describe the parts of the entry point information

that mail.dat files in your opinion could not provide.

- b. In the case of Periodicals with circulation under 15,000 per issue, for which you conducted a separate data collection with the survey instruments described in LR-K-91, is there any part of the entry point data referred to above whose FY2004 equivalent could not be extracted from your new data collection effort? If yes, please describe all the entry point information you believe the new data collection could not have provided and any change in survey instruments that would have been needed to capture that information.
- c. Have you or anyone else working for the Postal Service developed updated entry point data based on the data collection described in LR-K-91 or any other data collection conducted later than R2001-1? If yes, please describe the information developed in the manner indicated and provide copies. If no, are there any current plans to develop such updated information?