

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

**POSTAL RATE AND FEE CHANGES**

**Docket No. R2005-1**

**Major Mailers Association's  
Second Set Of Interrogatories And Document Production Requests To  
United States Postal Service Witness Jatona S. Hatcher (MMA/USPS-T22-7-8)  
(June 3, 2005)**

Pursuant to Rules 25 and 26 of the Commission's Rules of Practice, Major Mailers Association herewith submits the following interrogatories and document production requests to United States Postal Service Witness Jatona S. Hatcher. **(MMA/USPS-T22-7-8)**. If the designated witness cannot answer part or all of any interrogatory, the witness and his counsel should redirect the request to another USPS witness who can respond.

Respectfully submitted,

**Major Mailers Association**

By: \_\_\_\_\_

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**Dated: Middleburg, Virginia  
June 3, 2005**

MMA/USPS-T22-7

Please refer to Library Reference LR-USPS-K-69, page 1, where you show the derived workshare related unit processing costs for HAND and QBRM letters. You apply a 1.454 CRA Proportional Cost Factor to both model-derived unit costs for HAND and QBRM letters.

- A. Please explain why you applied the CRA Proportional Cost Factor of 1.454 to each of your model-derived unit costs for HAND and QBRM letters.
- B. Please confirm that, as shown in revised Library Reference LR-USPS-K-48, the BMM CRA-derived unit cost of 6.476 cents is 2.022 cents higher than USPS witness Abdirhaman's BMM model-derived unit cost of 4.454 cents. If you cannot confirm, please explain.
- C. Please confirm that USPS witness Abdirhaman's mail flow model did not and could not account for 2.022 cents of the CRA unit cost for single piece metered mail that he uses as a proxy for BMM letters. If you cannot confirm, please explain.
- D. Please confirm that the 2.022 cents that USPS witness Abdirhaman's mail flow model did not and could not account for represents 45.4% of the BMM model-derived unit cost of 4.454 cents. If you cannot confirm, please explain.
- E. Please confirm that the reason you apply the CRA Proportional Factor to both HAND and QBRM letters is to adjust your model-derived unit costs for the strong possibility that your models have not accounted for the same costs that USPS witness Abdirhaman's BMM model did not account for? If you do not agree, please explain.

MMA/USPS-T22-8

Please refer to Library Reference LR-USPS-K-69, page 1, where you show the derived workshare related unit processing costs for HAND and QBRM letters. You apply a 1.454 CRA Proportional Cost Factor to both model-derived unit costs for HAND and QBRM letters.

- A. Please confirm that, as shown in revised Library Reference LR-USPS-K-48, the Automation letter CRA-derived unit cost of 1.886 cents is .782 cents lower than USPS witness Abdirhaman's model-derived unit cost for Automation letters of 2.668 cents. If you cannot confirm, please explain.
- B. Please confirm that for prebarcoded, machinable letters, USPS witness Abdirhaman's mail flow models somehow included non-existent costs of .782 cents, which represents 29.3% of the model-derived unit cost of 2.668 cents. If you cannot confirm, please explain.
- C. Please confirm that, when you applied your BMM CRA Proportional Factor to QBRM letters, you increased your model-derived unit cost by 45.4%, notwithstanding the fact that, unlike BMM letters, QBRM letters completely bypass the RBCS operation. If you cannot confirm, please explain.
- D. Please confirm that, when you applied your BMM CRA Proportional Factor to QBRM letters, you increased your model-derived unit cost by 45.4%, notwithstanding the fact that for prebarcoded, machinable letters, USPS witness Abdirhaman's mail flow models indicate that you should have reduced your model-derived unit cost by 29.3%. If you cannot confirm, please explain.