

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

Postal Rate Commission
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POSTAL RATE AND FEE CHANGES, 2005)

Docket No. R2005-1

AMERICAN BANKERS ASSOCIATION AND
NATIONAL ASSOCIATION OF PRESORT MAILERS
FIRST INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS TO UNITED STATES POSTAL SERVICE
WITNESS MAURA ROBINSON (ABA&NAPM/USPS-T27-1-2)
(June 10, 2005)

Pursuant to sections 26 and 27 of the Postal Rate Commission rules of practice, American Bankers Association and National Association of Presort Mailers hereby submit these joint interrogatories and document production requests. If necessary, please redirect any interrogatory and/or request to a more appropriate Postal Service witness.

If data requested are not available in the exact format or level of detail requested, any data available in (1) substantially similar format or level of detail or (2) susceptible to being converted to the requested format and detail should be provided.

Responses to requests for explanations or the derivation of numbers should be accompanied by workpapers. The terms "workpapers" shall include all backup material whether prepared manually, mechanically or electronically, and without consideration to the type of paper used. Such workpapers should, if necessary, be prepared as part of the witness's responses and should "show what the numbers were, what numbers were added to other numbers to achieve a final result." The witness should "prepare sufficient workpapers so that it is possible for a third party to understand how he took data from a primary source and developed that data to achieve his final results." Docket No. R83-1, Tr. 10/2795-96.

Respectfully submitted,

AMERICAN BANKERS ASSOCIATION
NATIONAL ASSOCIATION OF PRESORT MAILERS

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June 10, 2005
Washington, D.C.

ABA&NAPM/USPS-T27-1.

On page 6 of your testimony starting at line 9, you state “The escrow costs that underlie this request are not volume-variable and cannot be found to be “costs... attributable to ...

[a] particular class of mail.”

- a. In light of this, please confirm that it is not any intra-subclass volume variable cost, but only costs in general, both attributable and institutional, that matter for the rates proposed in this case.
- b. In light of the escrow rationale for this case, would it be appropriate to raise or lower any particular rate proposed within the structure of USPS “settlement rates” on the grounds that its particular volume variable costs did not justify the rate proposed?
- c. Were the Commission to raise any of the proposed settlement rates given the escrow rationale for the case, would the extra burden on that rate category be inequitable in that more costs would be borne by that rate category in helping meet a strictly non-class specific revenue need, i.e. the escrow?
- d. Were the Commission to lower any of the proposed settlement rates given the escrow rationale for the case, would the reduced burden on that rate category be inequitable in that fewer costs would be borne by that rate category in helping meet a strictly non-class specific revenue need, i.e. the escrow?

ABA&NAPM/USPS-T27-2.

- a. Please confirm in your Exhibit USPS-27B that the cost coverage of 331.9% listed for First Class presort mail is the highest of any mail category for which you calculate a TY2006 cost coverage on that Exhibit.
- b. Please confirm that whether one uses the Postal Service’s “cumulative passthrough percentages” or the Commission’s “incremental passthrough percentages” on discounts relative to costs avoided for various rate categories for workshared FCLM, and whether or not you use the volume variability methodology of the Postal Service of the Commission, under your proposed rates for TY2006 the highest per piece cost contribution to the Postal Service’s institutional costs of any mail category for which you calculate a TY2006 cost coverage in your Exhibit USPS-27B is First Class workshared mail.
- c. Please confirm that were any of the passthroughs for workshared FCLM to be reduced by the Commission in this case by raising any workshared FCLM rates beyond what you have proposed, the cost coverage for workshared FCLM would be even higher than your calculate 331.9.