

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

RATE AND SERVICE CHANGES TO IMPLEMENT  
BASELINE NEGOTIATED SERVICE AGREEMENT  
WITH BOOKSPAN

Docket No. MC2005-3

**RESPONSES OF POSTAL SERVICE WITNESS PLUNKETT  
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA  
REDIRECTED FROM WITNESS YORGEY  
(NAA/USPS-T2-1-3)**

The United States Postal Service hereby provides the responses of witness Plunkett to the following interrogatories of the Newspaper Association of America, filed on August 17, 2005, and redirected from witness Yorgey: NAA/USPS-T2-1-3.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

Scott L. Reiter

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2999, Fax -5402  
[scott.l.reiter@usps.gov](mailto:scott.l.reiter@usps.gov)  
August 31, 2005

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS PLUNKETT  
TO INTERROGATORY OF THE NEWSPAPER ASSOCIATION OF AMERICA  
REDIRECTED FROM WITNESS YORGEY

NAA/USPS-T2-1. Please refer to n.13 of your testimony, in which you state that the multiplier effect “is not relied upon in estimating the financial impact of the NSA on postal finances.” Please state why not.

RESPONSE:

The Postal Service believes that the financial benefits of increased letter-size Standard Mail alone is sufficient to make the NSA a worthwhile venture. Moreover, the Postal Service does not have independent verification of volumes associated with the multiplier effect.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS PLUNKETT  
TO INTERROGATORY OF THE NEWSPAPER ASSOCIATION OF AMERICA  
REDIRECTED FROM WITNESS YORGEY

NAA/USPS-T2-2: Please assume hypothetically that your Appendix A calculation remains as presented in your testimony but that the “multiplier effect” as described in the direct case of the Postal Service and Bookspan did not exist (i.e., that the financial impact of the “multiplier effect” is expected to be zero). Under these assumptions:

- a. Would you have recommended that the Postal Service sign the NSA?
- b. Would you testify that the Postal Rate Commission should approve the NSA?

RESPONSE:

Please see my response to NAA/USPS-T1-2.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS PLUNKETT  
TO INTERROGATORY OF THE NEWSPAPER ASSOCIATION OF AMERICA  
REDIRECTED FROM WITNESS YORGEY

NAA/USPS-T2-3. Although the Postal Service is not relying on the “multiplier effect” in its financial showing in this case, nonetheless has the Postal Service made any internal estimates of the amount of the “multiplier effect” that it expects from this NSA? Without discussing confidential information, please describe what, if any, such estimates have been made.

RESPONSE:

No. Also see my response to NAA/USPS-T2-1.

## **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.

Scott L. Reiter

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
August 31, 2005