

Before The
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

Rate and Service Changes to Implement)
Baseline Negotiated Service Agreement) Docket No. MC2006-3
With Washington Mutual Bank)

OFFICE OF CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS ALI AYUB (OCA/USPS-T1-17-21)
(May 9, 2006)

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-T1-1-5 are hereby incorporated by reference.

Respectfully submitted,

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OCA/USPS-T1-17. This interrogatory seeks information that could be used to reduce financial risk to the Postal Service from the Washington Mutual Bank (WMB) NSA.

Please refer to your response to OCA/USPS-T1-14(a), which asked whether “this potential benefit” (of unlimited discounts) exists for WMB under the NSA if WMB sends more First-Class Mail than it currently forecasts. Your response states in part

that we expect WMB to mail more contribution-generating First-Class Mail volume under the proposed discount structure than under the *existing rate schedule*. (emphasis added)

- a. Please answer OCA/USPS-1-14(a) with respect to whether “this potential benefit” exists if WMB sends more First-Class Mail than *it currently forecasts* for its after-rates volume estimate.
- b. If “this potential benefit” of unlimited discounts exists for WMB under the NSA for volumes in excess of its after-rates volume estimate, please explain how the Postal Service will determine whether the excess volume is a function of the discounts or a function of exogenous factors. Please specify all methods the Postal Service intends to use to determine that volume in excess of the after-rates volume estimate is a function of the discounts.

OCA/USPS-T1-18. This interrogatory seeks information to clarify the Postal Service’s volume estimates for the Washington Mutual Bank (WMB) NSA. Please refer to your testimony, Appendix A, page 2. Please reconcile the First-Class and Standard Mail volumes for 2005 with the First-Class and Standard Mail volumes for 2005 shown in WMB-T-1 (Rapaport), Table 1, at 3.

OCA/USPS-T1-19. This interrogatory seeks information to clarify the Postal Service's estimate of unit revenue for the Washington Mutual Bank (WMB) NSA. Please refer to your testimony, Appendix A, page 3, cell A58, which states, in part,

WMB mail operations volume consisted of 170 million pieces, however they were commingled mail volumes of WMB card services mail pieces and mail from other Postal Service customers.

- a. Please explain how "commingled mail volumes" from "other Postal Service customers" can be described as "WMB mail operations volume."
- b. Please explain why "the Postal Service could not identify the exact breakdown based on this commingling."
- c. Please explain what is meant by the sentence, "We believe WMB operations mail volume will reflect this average."

OCA/USPS-T1-20. This interrogatory seeks information to clarify the Postal Service's estimate of unit revenue for the Washington Mutual Bank (WMB) NSA. Please refer to your testimony, Appendix A, page 3, and the "Total pieces" of 170,059,496 in column (3). Please reconcile the "Total pieces" with the First-Class Mail "Operational mail" volume for FY 2005 reported on Appendix A, page 2, and WMB-T-1 (Rapaport), Table 1, at 3.

OCA/USPS-T1-21. This interrogatory seeks information to clarify the Postal Service's estimate of unit revenue for the Washington Mutual Bank (WMB) NSA. Please refer to your testimony, Appendix A, page 4, and the "Total pieces" of 270,685,915 in column (3). Please reconcile the "Total pieces" with the First-Class Mail "Marketing mail" volume for 2005 reported on Appendix A, page 2, and WMB-T-1 (Rapaport), Table 1, at 3.