

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

Postal Rate and Fee Changes,
2006

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Docket No. R2006-1

FIRST SET OF INTERROGATORIES OF
MAGAZINE PUBLISHERS OF AMERICA, INC.
TO USPS WITNESS MAYES
(MPA/USPS-T25-1-2)
(May 19, 2006)

Pursuant to sections 25, 26 and 27 of the rules of practice, Magazine Publishers of America, Inc., directs the following interrogatories to United States Postal Service witness Virginia J. Mayes (USPS-T-25). If the witness cannot answer a question or subpart, we request that the Postal Service answer through another witness or submit an institutional response.

Respectfully submitted,

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MPA/USPS-T25-1. This question refers to USPS-LR-L-88, Appendix F, Tables 3 and 4.

(a) Please confirm that, according to Table 3, crossdocking sacked Periodicals through one SCF costs the Postal Service an average of 1.57 cents per piece. (Note that this is the weighted average of the unit cost figures in I25 and I26). If you do not confirm fully, please provide the correct figure and all of your underlying calculations.

(b) Please confirm that, according to Table 3, crossdocking palletized Periodicals through one SCF costs the Postal Service an average of 0.93 cents per piece. If you do not confirm fully, please provide the correct figure and all of your underlying calculations.

(c) Please confirm that, according to Table 4, crossdocking sacked Periodicals through one BMC costs the Postal Service an average of 1.75 cents per piece. (Note that this is the sum of the figures in cells I26 through I30 with E26 set equal to 100%.) If you do not confirm fully, please provide the correct figure and all of your underlying calculations.

(d) Please confirm that, according to Table 4, crossdocking palletized Periodicals through one BMC costs the Postal Service an average of 1.00 cents per piece. (Note that this figure is shown in cell I31 with cell E31 set to 100%.) If you do not confirm fully, please provide the correct figure and all of your underlying calculations.

(e) Please confirm that the table below accurately summarizes the average per-piece crossdocking costs for palletized and sacked Periodicals that are crossdocked at the specified number of facilities. If you do not confirm fully, please provide the correct figure and all of your underlying calculations.

# of Non-Destination Facilities		Per-Piece Crossdocking Costs (in Cents)		
BMCs	SCFs	Sacked	Palletized	Difference
0	1	1.57	0.93	0.64
1	0	1.75	1.00	0.75
1	1	3.32	1.93	1.39
2	1	5.07	2.93	2.14
2	2	6.64	3.86	2.78

(f) Please confirm that, according to Table 3, crossdocking a Periodicals sack through one SCF costs the Postal Service an average of 71 cents (1.57 cents per piece times 45.11 pieces per sack). If you do not confirm fully, please provide the correct figure and all of your underlying calculations.

(g) Please confirm that, according to Table 4, crossdocking a Periodicals sack through one SCF costs the Postal Service an average of 79 cents (1.75 cents per piece times 45.11 pieces per sack). If you do not confirm fully, please provide the correct figure and all of your underlying calculations.

MPA/USPS-T25-2. Please refer to page 7 of your testimony, where you discuss “Assumptions Used in Periodicals Destination Entry Models” and USPS-LR-L-88, Appendix F, Table 6.

(a) Please confirm the DSCF nontransportation cost avoidance of \$.0136 per piece is calculated assuming that DSCF entry avoids handlings at 1.194 facilities. If you do not confirm fully, please provide the correct figure and all of your underlying calculations.

(b) On average, through how many facilities is a Periodicals container that fails to qualify for destination entry rates crossdocked? Please explain your response fully, and provide citations to the underlying data in sufficient detail to replicate your response.