

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

Postal Rate and Fee Changes, 2006)

Docket No. R2006-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS THOMAS M. SCHERER (OCA/USPS-T33-8-11)
(June 16, 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-T32-1-7, dated June 2, 2006, are hereby incorporated by reference.

Respectfully submitted,

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OCA/USPS-T33-8. This interrogatory seeks information on pricing for the Priority Mail flat-rate box. Please refer to Attachment A, Tables 6 and 8, and the line "Flat-Rate Box." Please confirm that the average density for a flat-rate box is 14.18 (66,128,867 pounds / 4,664,692 cubic volume in feet) pounds per cubic foot. If you do not confirm, please explain, show all calculations and provide citations to all sources used.

OCA/USPS-T33-9. This interrogatory seeks information on pricing for the Priority Mail flat-rate box. Please refer to your testimony at page 57, lines 19-20, where it states, "This suggests that the premium built into the rate, originally \$1.78, can be lowered."

- a. Please provide the "base rate" upon which you propose to apply the lower premium. Show all calculations and provide citations to all sources used.
- b. Please confirm that the average weight per flat-rate box is 4.82 pounds. If you do not confirm, please explain, show all calculations and provide citations to all sources used.
- c. Please provide the estimated or approximate Zone for a flat-rate box having the "base rate" cited in subpart a., above, and the average weight cited in subpart b., above. Show all calculations and provide citations to all sources used.

OCA/USPS-T33-10. This interrogatory seeks information on pricing for the Priority Mail flat-rate box. Please refer to your testimony at page 52-53, lines 21-22, and line 1, respectively, where it states, "The rate started at \$7.70 on November 20, 2004, increasing to \$8.10 on January 8, 2006, following Docket No. R2005-1." Also, please refer to your testimony at pages 57-58, lines 27-28, and line 1, respectively, where it states, "The \$8.80 is derived by equating the flat-rate box's implicit cost coverage with

[the] implicit cost coverage for the Priority Mail flat-rate envelope.” Please provide a table comparing the \$7.70 and the \$8.10 rates in the first quote, above, and your proposed rate, the implicit cost coverage and the subclass average cost coverage for the flat-rate box. Also, in the same table, please provide the rates for the flat-rate envelope effective on the dates in the first quote, above, and your proposed rate, along with the implicit cost coverage and the subclass average cost coverage for the flat-rate envelope.

OCA/USPS-T33-11. This interrogatory seeks information on the estimated Priority Mail volume to be derived from Premium Forwarding Service (PFS). Please refer to Attachment B, Table 1, line (m), which provides the figure for “Priority Mail in total” of 1,070,345, and states “(Consultation w/ witness Thress).”

- a. Please confirm that the “Priority Mail in total” figure of 1,070,345 represents the new or incremental Priority Mail volume from PFS in the test year. If you do not confirm, please explain.
- b. Please explain the development of this Priority Mail volume figure, and your consultations with witness Thress, including any notes, papers, spreadsheets or other documents.