

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

Postal Rate Commission  
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**Postal Rate and Fee Changes, 2006**

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**Docket No. R2006-1**

**INTERROGATORIES AND REQUESTS FOR PRODUCTION  
OF DOCUMENTS OF PITNEY BOWES INC. TO UNITED STATES  
POSTAL SERVICE WITNESS ALTAU TAUFIQUE  
(PB/USPS-T32-44-59)**

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, Pitney Bowes Inc. ("Pitney Bowes") directs the following interrogatories and requests for production of documents to United States Postal Service Witness Altau Taufique. 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,

/s/

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James Pierce Myers  
Attorney at Law  
1211 Connecticut Avenue, NW  
Suite 610  
Washington, DC 20036  
Telephone: (202) 331-8315  
Facsimile: (202) 331-8318  
E-Mail: [jpm@piercemyers.com](mailto:jpm@piercemyers.com)

Michael F. Scanlon  
PRESTON GATES ELLIS &  
ROUVELAS MEEDS LLP  
1735 New York Avenue, NW  
Washington, DC 20006  
Telephone: (202) 628-1700  
Facsimile: (202) 331-1024  
E-Mail: [mscanlon@prestongates.com](mailto:mscanlon@prestongates.com)

Counsel to PITNEY BOWES INC.

DATED: June 20, 2006

**PB/USPS-T32-44.** Please define “drop letters.” For your convenience, you may wish to refer to the testimony of Richard B. Kielbowicz in MC 95-1.

**PB/USPS-T32-45.** Please confirm that in 1967, Congress abolished “drop letters.” For your convenience, you may wish to refer to the testimony of Richard B. Kielbowicz in MC 95-1.

**PB/USPS-T32-46.** Please confirm that between 1933 and 1934, the rate for drop letters delivered by the carrier embodied a one cent discount as compared to the rate for other first-class letters. For your convenience, you may wish to refer to the testimony of Richard B. Kielbowicz in MC 95-1.

**PB/USPS-T32-47.** Please provide a list of the classes and subclasses for which incentives are provided for entering the mail closer to or at the facility where the mail receives its final sort prior to delivery.

**PB/USPS-T32-48.** Please provide a list of the classes and subclasses for which incentives are not provided for entering the mail closer to or at the facility where the mail receives its final sort prior to delivery.

**PB/USPS-T32-49.** Please provide your best estimate of average haul (average distance transported) on purchased transportation in FY 2005 for:

- a. First-Class Mail Single Piece Letters.
- b. First-Class Mail Presort Letters.
- c. Priority Mail.
- d. Express Mail.
- e. Periodicals Within County.
- f. Periodicals Outside County.
- g. Standard Mail Enhanced Carrier Route.
- h. Standard Mail Regular.
- i. Package Services Parcel Post.
- j. Package Services Bound Printed Matter.
- k. Package Service Media Mail.

**PB/USPS-T32-50.** Please provide the source of each of the estimates provided in response to PB/USPS-T32-49 above.

**PB/USPS-T32-51.** Please provide your best estimate of average haul (average distance transported) on purchased transportation in TY 2008 for:

- a. First-Class Mail Single Piece Letters.
- b. First-Class Mail Presort Letters.
- c. Priority Mail.
- d. Express Mail.
- e. Periodicals Within County.
- f. Periodicals Outside County.
- g. Standard Mail Enhanced Carrier Route.
- h. Standard Mail Regular.
- i. Package Services Parcel Post.
- j. Package Services Bound Printed Matter.
- k. Package Service Media Mail.

**PB/USPS-T32-52.** Please provide the source of each of the estimates provided in response to PB/USPS-T32-51 above.

**PB/USPS-T32-53.** Please confirm that you were the pricing witness for Periodicals in R97-1, R2000-1, and R2001-1.

**PB/USPS-T32-54.** Please confirm that your rate design in R97-1, R2000-1, and R2001-1 had dropship discounts and zoning discounts. If you cannot confirm, please explain fully.

**PB/USPS-T32-55.** Please confirm that you agree that these discounts did not increase the combined costs of the Postal Service and the mailing community. If you cannot confirm, please explain why.

**PB/USPS-T32-56.** Please refer to the Response of the United States Postal Service to Interrogatories of Pitney Bowes Redirected from Witness Shaw PB/USPS-T1-11, filed in N2006-1. The Postal Service responded “No” to the interrogatory “Do First-Class Mail presort letters that are entered at the facility where they will be delivery point sequenced incur a smaller amount of non-distance related surface transportation costs by the Postal Service than other First-Class Mail presort letters? If so, please explain why.” Please state whether you agree with this response; provide a detailed explanation of your reasoning for agreeing or disagreeing; and produce (or cite to) documents sufficient to verify your response.

**PB/USPS-T32-57.** Please confirm that it would be possible to design destination entry discounts for First-Class Presort Mail that would be both revenue neutral and that would not affect the First-Class Single Piece rate.

**PB/USPS-T32-58.** Please confirm that it would be possible to design destination entry discounts for First-Class Presort Mail that would mitigate any rate shock effect of such rates.

**PB/USPS-T32-59.** Please refer to page 6 of Witness Mayes' (USPS-T-25) testimony in this docket, where she states “[p]eriodicals that are entered by mailers at origin SCFs or intermediate facilities upstream from the destination SCF must undergo mail processing operations of a bulk transfer type, such as crossdocking, at the non-destination facilities. By entering their Periodicals at destination facilities, mailers save the Postal Service the cost of these bulk transfer operations.”

- a. Please confirm that it is also true that First-Class Presort Letters entered by mailers at origin SCFs or intermediate facilities upstream from the destination SCF must undergo mail processing operations of a bulk transfer type, such as crossdocking, at the non-destination facilities. If you cannot confirm, please explain fully.
- b. Please confirm that it is also true that were mailers to enter First-Class Presort Letters at destination facilities, the mailers could save the Postal Service the cost of these bulk transfer operations. If you cannot confirm, please explain fully.