

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

POSTAL RATE AND FEE CHANGES, 2006 )

Docket No. R2006-1

AMAZON.COM, INC.  
FIRST INTERROGATORIES AND REQUESTS FOR  
PRODUCTION OF DOCUMENTS TO ASSOCIATION FOR POSTAL COMMERCE  
WITNESS PETER A. ANGELIDES (AMZ/POSTCOM-T5-1-6)  
(October 4, 2006)

Pursuant to sections 25 and 26 of the Postal Rate Commission rules of practice,  
Amazon.com, Inc. hereby submits interrogatories and document production requests. If  
necessary, please redirect any interrogatory and/or request to a more appropriate witness.

Respectfully submitted,

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**AMZ/POSTCOM-T5-1.**

Please refer to your testimony at page 6, line 10, where you state “[t]herefore, I have prepared a rate design with a cost coverage of 100.2 percent.” Also, please refer to footnote 1 on page 3.

- a. Is your proposed coverage of 100.2 percent the coverage for Media Mail alone, or is it a combined coverage for Media Mail and Library Mail?
- b. If your proposed coverage of 100.2 percent is for Media Mail alone, and, if pursuant to 39 U.S.C. § 3626(a)(7), rates for Library Mail are set at 5 percent less than the rates for Media Mail, what is the coverage for Library Mail that would result from your recommended coverage and rate design for Media Mail?
- c. If your proposed coverage of 100.2 percent is a combined coverage for Media Mail and Library Mail, what is your proposed coverage for Library Mail alone and Media Mail alone?

**AMZ/POSTCOM-T5-2.**

Please refer to your testimony at page 8, lines 9-11, where you state “[b]ecause the prices are lower than in the USPS proposal, I used witness Thress’s volume model at the new price to generate a new volume for Media Mail.”

- a. What are the new Test Year Before Rates and Test Year After Rates volumes that would result from your proposed rates for Media Mail? Please show how you generated those new volumes.

- b. If you computed separate Test Year Before Rates and Test Year After Rates volumes for presort Media Mail and single piece Media Mail, please show each separately.
- c. Did you estimate a new Test Year Before Rates and/or Test Year After Rates volume for Library Mail? If so, please state what volumes you generated, and show their derivation.

**AMZ/POSTCOM-T5-3.**

Please refer to your testimony at page 8 and the footnote to Table 4, which states that “[s]ingle piece remains billed in single pound increments at a rate of \$0.34 per pound for Media Mail and \$0.32 per pound for Library Mail.”

- a. Is it correct to infer from this footnote that you propose to extend half-pound pricing (up to 5 pounds) to presort Media Mail, but not to single piece Media Mail? If this is not a correct interpretation of the footnote, please explain.
- b. If your answer to preceding part a is affirmative, please refer to your testimony at page 3, lines 5-6, and also to page 6, lines 12-15, and explain why you did not indicate in either place that your proposed half-pound pricing does not apply to the 80 percent of Media Mail that is entered at single piece rates.
- c. If your answer to preceding part a is affirmative, please explain why you do not recommend half-pound pricing for single piece Media Mail.

**AMZ/POSTCOM-T5-4.**

Please refer to your testimony at page 8, lines 11-13, where you state “[b]ased on the new volume, I used witness Yeh’s model to calculate revenue, cost, and cost coverage.”

(Footnote omitted.)

- a. What are the Test Year Before Rates and Test Year After Rates revenues that you computed for Media Mail?
- b. If you computed revenues separately for presort and single piece Media Mail, please provide such revenues for each, and show how you computed postage pounds for all Media Mail subject to half-pound pricing under your proposed rate design. If you did not compute revenues separately, please state why not, in view of your proposed half-pound pricing for presort Media Mail.

**AMZ/POSTCOM-T5-5.**

Please refer to your testimony at page 12, lines 9-11, where you state “[b]ecause the prices are lower than in the USPS proposal, I used witness Thress’s volume model at the new price to generate a new volume for BPM.”

- a. What are the new Test Year Before Rates and Test Year After Rates volumes that would result from your proposed rates for BPM? Please show how you generated those new volumes.
- b. If you computed separate Test Year Before Rates and Test Year After Rates volumes for presort BPM and single piece BPM, please show each separately.

**AMZ/POSTCOM-T5-6.**

Please refer to your testimony at page 12, lines 8-9, where you state “[t]o calculate the new cost coverage, I used witness Yeh’s model, modified as described above....” Please describe fully how you used witness Yeh’s model to calculate your new cost coverage for BPM.