DOCKET SECTION

BEFORE THE POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Postal Rate and Fee Changes, 1997) Docket No. R97-1

Interrogatories of National Federation of Nonprofits to USPS Witness Talmo (NFN/USPS Talmo-1)

November 14, 1997

Pursuant to Rules 25 and 26 of the Rules of Practice and Procedure of this Commission and Order 1200, the National Federation of Nonprofits (NFN) hereby submits the following interrogatories and request for production of documents with regard to Library References H-105 and H-195. NFN directs these interrogatories to Dan Talmo. In its Response dated October 14, 1997 to the Presiding Officer's Ruling No. R97-1/42, the USPS designated Talmo as the witness whom it is prepared to provide, with respect to the foregoing Library References which were unsponsored prior to Ruling No. R97-1/42.

NFN/USPS Talmo-1

Please refer to Library References H-105 and H-195. In those two documents, you memorialize facts concerning Standard (A) commercial and nonprofit mail received by post offices. You consider the size of a mailing, the size of the receiving postal facility, and the makeup of received mail. You are also interested in the entry of mail into the system in trays, half-trays, sacks (items), and containers.

(a) USPS 15I (Petalunas) forecasts a decline in the unit cost of commercial and nonprofit Standard (A) mail in the Regular (Other) Subclass between Test Year Volume Variable COSTS Before Adjustments and Test Year After Final Adjustments, as shown in Table I below. Please indicate whether it is destination entry or other work-sharing behavior which accounts for the respective decline in the unit cost of commercial and nonprofit Standard (A) mail in the Regular (Other) Subclass. If work-sharing behavior other than destination entry explains in part the relative sizes of the decline in unit costs, please indicate the nature of the work-sharing activity and the extent to which it accounts for asymmetric declines.

Table I
(000s)

Standard (A) Mail Regular or Other Subclass	Test Year Before Final Adjustment	Test Year After Final Adjustment	Change
Commercial (regular)	$5,361,440	$5,141,527	-4.1%
Nonprofit	1,121,232	1,096,609	-2.2%

(b) If destination entry or work-sharing behavior or a combination of the two is responsible for the decline in unit costs indicated in Table I, please explain fully why Standard (A) commercial regular rate category declined by almost twice as much as nonprofit regular rate category.

If necessary, please redirect this interrogatory to a USPS witness who is knowledgeable about these Library References and who can answer these questions.

Respectfully submitted,

Lee M. Cassidy
National Federation of Nonprofits
815 Fifteenth Street, NW Suite 822
Washington, DC 20005-2201

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the instant document on all participants in this proceeding, in accordance with Section 12 of the Rules of Practice.

Lee M. Cassidy

November 14, 1997