DOCKET SECTION

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

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POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

UNITED STATES POSTAL SERVICE
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO
NASHUA PHOTO INC., DISTRICT PHOTO INC., MYSTIC COLOR LAB, AND
SEATTLE FILMWORKS, INC. WITNESS HALDI
(USPS/NDMS-T3-36-42)

Pursuant to rules 25 and 26 of the Rules of Practice and Procedure and rule 2 of the Special Rules of Practice, the United States Postal Service directs the following interrogatories and requests for production of documents to Nashua Photo Inc., District Photo Inc., Mystic Color Lab, and Seattle Filmworks, Inc. witness Haldi: USPS/NDMS-T3-36-42.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Gounsel, Ratemaking

Scott L. Reiter

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2999; Fax –5402 January 27, 1998

INTERROGATORIES OF UNITED STATES POSTAL SERVICE TO NDMS WITNESS HALDI

USPS/NDMS-T3-36. Please provide the sources for your statements on page 34, lines 15-18 and page 35, lines 1-2.

USPS/NDMS-T3-37. Please refer to your comments on page 36, lines 1-4 and the results of the study described in Appendix C of LR-PCR-38 in Docket No. MC97-2. Please identify the category which these "odd-shaped parcels" which you claim cause "unusually large costs" would fall in. If you are unable to place them in a category, please describe them in detail and submit all data you have regarding their presence in the Standard Mail (A) mailstream and their relative impact on total parcel costs.

USPS/NDMS-T3-38. Please refer to page 37, lines 13-15 of your testimony as well as Tr. 15/8063 and Tr.19E/9850-9851. In light of the record testimony cited, please provide an explanation for your statement that "length and girth were the only measurements available for any parcel in the study."

USPS/NDMS-T3-39. Please refer to page 38, lines 6-8 of your testimony.

- (a) Please describe which line(s) of the transcript page you cite lead to your conclusions and explain.
- (b) Please provide all data or analysis you have completed to show beyond a merely intuitive level that "the methodology of the earlier study was less subject to human error".

USPS/NDMS-T3-40. Please refer to page 39, lines 2-3 of your testimony. Please provide a citation as to exactly where witness Crum asserts a revenue shortfall.

USPS/NDMS-T3-41. Please refer to page 41 of your testimony. Do you believe that the Commission should de-average dropship discounts by shape in Standard Mail (A)? Do you believe it would be consistent to fully de-average

dropship discounts while passing through only 28.5 percent of the stated cost difference between parcels and flats? Please fully explain any affirmative response.

USPS/NDMS-T3-42. Please refer to page 14 of your testimony where you state "one can predict with a high degree of confidence that virtually all parcel mailers whose product gives them a repackaging option will in fact seek to repackage their products into flat-shaped mailpieces if confronted with a significant surcharge for parcels... Thus, one immediate and highly predictable result of the Standard A parcel surcharge would be a massive repackaging of mailpieces now classified as parcels."

- (a) Please provide any study or analysis you have produced to support such claims.
- (b) Please define your use of the terms "high degree of confidence" and "highly predictable" and state the basis (if any) for these conjectures.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Scott L. Reiter

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 January 27, 1998