

ORIGINAL

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

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MAILING ONLINE SERVICE

Docket No. MC98-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS PLUNKETT TO INTERROGATORIES OF
MAIL ADVERTISING SERVICE ASSOCIATION INTERNATIONAL
REDIRECTED FROM WITNESS SECKAR
(MASA/USPS-T2-3C, 4(A-B))

The United States Postal Service hereby provides responses of witness Plunkett to the following interrogatories of Mail Advertising Service Association International: MASA/USPS-T2-3c, 4(a-b), filed on August 4, 1998, and redirected from witness Seckar.

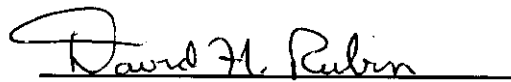
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

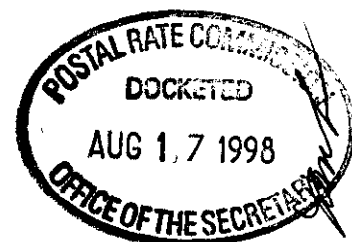
UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


David H. Rubin

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2986; Fax -5402
August 17, 1998



**RESPONSE OF POSTAL SERVICE WITNESS PLUNKETT TO
INTERROGATORIES OF THE MAIL ADVERTISING SERVICE ASSOCIATION,
REDIRECTED FROM WITNESS SECKAR**

MASA/USPS-T2-3. Confirm the following. In the event that you are unable to confirm, explain in detail why not.

c. In proposing the several postage options to be charged MOL customers, you have assumed that, as a result of the batching of different mailings by the contract printers, MOL mailings presented to the Post Office by the contract printers will generally meet the qualifications established in the DMM and the DMCS for the postage rates charged to the customer. If your answer is yes in whole or in part, describe in detail the studies, analyses or other bases you have for making this assumption.

MASA/USPS-T2-3 Response.

c. Confirmed. This assumption is based on the volume forecasts contained in USPS-LR-2/MC98-1. These forecasts indicate that, at full implementation, Mailing Online is expected to generate tens of thousands of pieces per printer per day on average. Thus it is expected that Mailing Online pieces will meet the aforementioned qualifications. There are currently no real-world data available to support that projection. The Postal Service intends to collect such data during the course of the proposed market test and experiment.

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MASA/USPS-T2-4 Confirm that:

- a. for the so-called contractual printer components of MOL, a customer will be charged 125% of the price negotiated between the contractual printer and the Postal service.
- b. for the services rendered in connection with an MOL mailing, the contractual printer will be paid the contract price negotiated with the U.S. Postal Service, and the Postal Service will retain the markup of 25%.

MASA/USPS-T2-4 Response.

- a. Substantially confirmed. As proposed, the costs on which the Postal Service's fees will be based would also include 0.1 cent to cover the Postal Service's information systems costs.
- b. The Postal Service will retain the difference between the fee and the negotiated contract price. As discussed in part (a), this will be slightly more than 25 percent of the contract price.

DECLARATION

I, Michael K. Plunkett, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

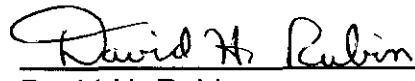


MICHAEL K. PLUNKETT

Dated: August 17, 1998

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.



David H. Rubin

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