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

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Mailing Online Service

Docket No. MC98-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS: BETH B. ROTHSCHILD
(OCA/USPS-T4-37-45)
(November 2, 1998)

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate

Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories

OCA/USPS-T1-1-7 to witness Lee Garvey, dated July 21, 1998, are hereby incorporated by reference.

Respectfully submitted,

Gail Willette

Acting Director

Office of the Consumer Advocate

Emmett Rand Costich

Acting Assistant Director

OCA/USPS-T4-37. Please refer to NetPost's Commercial Prices, at the 25 percent contribution margin, for "Next-Day Delivery" shown on the rate card that appears at the end of Attachment E in USPS-LR-2/MC98-1.

- a. Please confirm that there is no price per piece associated with 1-2 page, 11x17
 Black & White or Spot color, Simplex pieces. If you do not confirm, please
 explain and provide the price per piece.
- b. Please confirm that 1-2 page, 11x17 Black & White or Spot color, Simplex pieces was not offered as an option to survey respondents. If you do not confirm, please explain.
- c. Please confirm that you have estimated no Mailing Online volume for 1-2 page,
 11x17 Black & White or Spot Color, Simplex pieces. If you do not confirm,
 please explain.

OCA/USPS-T4-38. Please refer to NetPost's Commercial Prices, at the 25 percent contribution margin, shown on the rate cards that appear at the end of Attachment E in USPS-LR-2/MC98-1.

- a. In the row labeled "More than 15 pages" on the "Next-Day Delivery" and "Standard (Two-To-Five Day) Delivery" rate cards, please confirm that the "Applicable postage rate + per page production cost" represents a weighted average price per piece for Simplex and Duplex 8.5x11, 8.5x14, and 11x17 Black & White and Spot color. If you do not confirm, please explain.
- b. In the row labeled "More than 15 pages" on the "Next-Day Delivery" and"Standard (Two-To-Five Day) Delivery" rate cards, please provide the "Applicable

postage rate + per page production cost" for Simplex and Duplex 8.5x11, 8.5x14, and 11x17 Black & White and Spot color.

OCA/USPS-T4-39. Please refer to NetPost's Commercial Prices, at the 25 percent contribution margin, for "Next-Day Delivery" shown on the rate cards that appear at the end of Attachment E in USPS-LR-2/MC98-1.

- a. Please confirm that the total volume is 91,744,857 (295,665,025 * .3103). If you
 do not confirm, please explain and provide the correct figure.
- b. Please confirm that volume for Simplex pieces is 44,083,404 (91,744,857 *
 .4805). If you do not confirm, please explain and provide the correct figure.
- c. Please confirm that volume for Duplex pieces is 47,661,453 (91,744,857 *
 .5195). If you do not confirm, please explain and provide the correct figure.
- d. Please confirm that the volume for 1-2 page Simplex pieces is 29,895,946 (44,083,404 * (200,490,454 / 295,635,459)). If you do not confirm, please explain and provide the correct figure.
- e. For 1-2 page Simplex pieces, please provide the volume associated with the price per piece of \$0.36 for 8.5x11 and 8.5x14, respectively, for Black & White, and \$0.46 for 8.5x11 and 8.5x14, respectively, for Spot color.
- f. Please confirm that the volume for "More than 15 pages," Simplex pieces is 3,108,191 ((44,083,404 * (20,844,384 / 295,635,459)). If you do not confirm, please explain and provide the correct figure.

- g. For "More than 15 pages" Simplex pieces, please provide the volume for 8.5x11, 8.5x14 and 11x17 for Black & White, and for 8.5x11, 8.5x14 and 11x17 for Spot color.
- h. Please confirm that the volume for "More than 15 pages," Duplex pieces is 3,360,469 ((47,661,453 * (20,844,384 / 295,635,459)). If you do not confirm, please explain and provide the correct figure.
- For "More than 15 pages" Duplex pieces, please provide the volume for 8.5x11,
 8.5x14 and 11x17 for Black & White, and for 8.5x11, 8.5x14 and 11x17 for Spot color.

OCA/USPS-T4-40. Please refer to NetPost's Commercial Prices, at the 25 percent contribution margin, for "Standard (Two-To-Five Day) Delivery" shown on the rate cards that appear at the end of Attachment E in USPS-LR-2/MC98-1.

- a. Please confirm that the total volume is 203,920,168 (295,665,025 * .6897). If
 you do not confirm, please explain and provide the correct figure.
- b. Please confirm that volume for Simplex pieces is 97,983,641 (203,920,168 *
 .4805). If you do not confirm, please explain and provide the correct figure.
- c. Please confirm that volume for Duplex pieces is 105,936,527 (203,920,168 * .5195). If you do not confirm, please explain and provide the correct figure.
- d. Please confirm that the volume for "More than 15 pages," Simplex pieces is 6,908,538 ((97,983,641 * (20,844,384 / 295,635,459)). If you do not confirm, please explain and provide the correct figure.

- e. For "More than 15 pages" Simplex pieces, please provide the volume for 8.5x11, 8.5x14 and 11x17 for Black & White, and for 8.5x11, 8.5x14 and 11x17 for Spot color.
- f. Please confirm that the volume for "More than 15 pages," Duplex pieces is 7,469,272 ((105,936,527 * (20,844,384 / 295,635,459)). If you do not confirm, please explain and provide the correct figure.
- g. For "More than 15 pages" Duplex pieces, please provide the volume for 8.5x11,
 8.5x14 and 11x17 for Black & White, and for 8.5x11, 8.5x14 and 11x17 for Spot color.

OCA/USPS-T4-41. Please refer to NetPost's Commercial Prices, at the 25 percent contribution margin, shown on the rate cards that appear at the end of Attachment E in USPS-LR-2/MC98-1, and USPS-T-5, Exhibit D, at 1. In Exhibit D, Witness Plunkett calculates Mailing Online volume for 1-2 page pieces on 11x17 paper of 24,680,375.

- a. Please confirm that the figure, 24,680,375, assumes there is Next Day Mailing
 Online volume for 1-2 page, 11x17 Black & White, and 11x17 Spot color,
 Simplex pieces. If you do not confirm, please explain.
- b. Please confirm that the figure, 24,680,375, overstates the volume of 1-2 page pieces on 11x17 paper by the amount of Next Day volume assumed for 1-2 page, 11x17 Black & White, and 11x17 Spot color, Simplex pieces. If you do not confirm, please explain.
- c. Please provide the correct Mailing Online volume for 1-2 page pieces on 11x17 paper.

OCA/USPS-T4-42. Please refer to Table 15 your testimony at page 34.

- a. Please provide the average revenue per piece associated with the total "Year 1" volume of 295,665.
- b. Please provide the average revenue per piece associated with the First-Class "Year 1" volume of 91,745.
- c. Please provide the average revenue per piece associated with the Standard "Year 1" volume of 203,920.

OCA/USPS-T4-43. Please refer to Table 16 your testimony at page 35.

- a. Please provide the average revenue per piece associated with the total "Year 1" volume of 204,195.
- b. Please provide the average revenue per piece associated with the First-Class "Year 1" volume of 24,034.
- c. Please provide the average revenue per piece associated with the Standard "Year 1" volume of 180,161.

OCA/USPS-T4-44. Please provide volume estimates for the 1999-2003 time period based upon the rates and premailing fees in effect during the market test.

OCA/USPS-T4-45. Please provide volume estimates for the 1999-2003 time period based upon the rates and premailing fees expected to be in effect during the experimental phase.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.

Emmett Rand Costich

Attorney

Washington, D.C. 20268-0001 November 2, 1998