

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

**POSTAL RATE AND FEE CHANGES**

**Docket No. R2006-1**

**Major Mailers Association's  
Follow Up Interrogatories and Document Production Requests To  
United States Postal Service Witness Altaf H. Taufique (MMA/USPS-T32-9)  
(August 21, 2006)**

Pursuant to Rules 25 and 26 of the Commission's Rules of Practice, Major Mailers Association submits the following interrogatories and document production requests to United States Postal Service Witness Altaf H. Taufique (MMA/USPS-T32-9).

***If USPS witness Taufique is not able to provide an answer to any parts of this interrogatory, he should redirect that part of the interrogatory to a witness for the USPS in this proceeding who can answer the question or to the Postal Service for an institutional response.***

Respectfully submitted,

**Major Mailers Association**

By: \_\_\_\_\_

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**Dated: Middleburg, Virginia  
August 21, 2006**

## **MMA/USPS-T32-9**

Please refer to your response to Interrogatory MMA/USPS-T32-6, particularly where you state, “I am unaware of any studies that demonstrate that either higher or lower costs result based on the volume of mail originating from any one customer” and your response to Interrogatory MMA/USPS-T32-8. Part A of Interrogatory MMA/USPS-T32-8 asked you to explain why a specific study was necessary to conclude that consistently high volume mailings from one mailer have a positive impact on Postal costs (i.e. results in lower unit costs for the Postal Service) with respect to operations such as:

1. Mail acceptance
2. Postage verification
3. Tray banding
4. Tray labeling
5. Tray sorting
6. Palletization
7. Pallet labeling
8. Pallet sorting
9. Plant loading
10. Postal One!
11. Transportation

Part B of Interrogatory MMA/USPS-T32-8 asked you to compare two mailers. Mailer A consistently sends out 500 1-ounce non-local pieces, all presorted to 5-digits. Mailer B consistently sends out 1 million 1-ounce non-local pieces all presorted to 5-digits. Part C of Interrogatory MMA/USPS-T32-8 then asked you to explain whether the Postal Service’s unit cost for processing Mailer A’s mail would be higher than, lower than, or the same as the unit cost for processing Mailer B’s mail, taking into account all of the costs associated with each operation listed in Part A of that interrogatory.

Your response to Parts A and C of Interrogatory MMA/USPS-T32-8 were as follows:

I am not a postal costing expert and am not offering costing testimony in this docket. Accordingly, I would be inclined to defer to the Postal Service's costing experts and any studies they may have conducted to assess the effect (positive or negative) of such matters.

Counsel for Major Mailers Association has been advised that, contrary to customary practice, Parts A and C of Interrogatory MMA/USPS-T32-8 have not been redirected to another witness in this case who can provide an answer or to the Postal Service for an institutional response.

- A. Please identify all USPS witnesses in this proceeding who, in your opinion, can be described as “Postal Service's costing experts” that have sufficient knowledge and experience to answer questions regarding the impact that consistent high volume First Class workshared mailings from one mailer’s facility have on postal costs.
- B. Please be so kind as to redirect the questions posed to you in Parts A and C of Interrogatory MMA/USPS-T32-8 to “the Postal Service's costing experts” you identify in response to Part A. If none of “the Postal Service's costing experts” are witnesses in this proceeding, please redirect the questions to the Postal Service for an institutional response. In any event, the response should include copies of any studies that discuss the effects on postal costs that consistently high volume mailings originating from individual First Class workshared mailers’ facilities.
- C. For R2006-1 BY 2005, how many First-Class workshared mailers had plant load agreements with the Postal Service?
- D. For R2006-1 BY 2005, how many First-Class workshared mailers’ plant locations had plant load agreements with the Postal Service?
- E. For R2006-1 BY 2005, please provide the total volume of First Class workshared letters sent by mailers with whom the USPS had plant load agreements. Please provide the data source used to answer this question.
- F. Information on the Postal Service’s web site at

<http://www.usps.com/postalone/businessmail.htm> indicates that Business Mail Acceptance (BMA) occurs at 850 mailer plants. If BMA occurs at a mailer's plant, does the mailer also have a plant load agreement with the Postal Service? Please explain your answer.

- G. For R2006-1 BY 2005, how many of the 850 mailer plants use BMA for acceptance of First-Class workshared letters?
- H. For R2006-1 BY 2005, what was the total volume of First Class workshared letters that was accepted at the mailer plants identified in response to Part G of this interrogatory.
- I. For R2006-1 BY 2005, what was the lowest volume of First Class workshared letters that was accepted at a mailer plant identified in response to Part G of this interrogatory.
- J. For R2006-1 BY 2005, how many mailers of First Class workshared letters sent out such workshared letter mail using PostalOne!'s web based simplified mail acceptance procedures?
- K. Have you ever discussed the possibility that consistently high volume mailings from one First Class workshared mailer's facility is a distinct cost driver (i.e. lowers postal costs) with any of the cost experts identified in your answer to Parts A and B? Is so, please describe those conversations and what conclusions you reached, if any. If not, why not?