

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

EXPERIMENTAL PARCEL RETURN SERVICES

Docket No. MC2003-2

**AMERICAN POSTAL WORKERS UNION, AFL-CIO
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS JAMES M. KIEFER
(APWU/USPS-T3-5-9)
(July 3, 2003)**

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the American Postal Workers Union, AFL-CIO ("APWU") hereby submits interrogatories and requests for production of documents to Witness James M. Kiefer.

Respectfully submitted,

Arthur M. Luby
O'Donnell, Schwartz & Anderson, P.C.
1300 L Street, N.W., Suite 1200
Washington, DC 20005-4126
Telephone: (202) 898-1707
Facsimile: (202) 682-9276
e-mail: aluby@odsalaw.com

Counsel for American Postal Workers Union, AFL-CIO

CERTIFICATION

I hereby certify that I have this date served the following document in accordance with the rules of practice.

Arthur M. Luby
O'Donnell, Schwartz & Anderson, P.C.
1300 L Street, N.W., Suite 1200
Washington, DC 20005-4126

July 3, 2003

Docket No. MC2003-2

APWU/USPS-T3-5. In responding to APWU/USPS-T3-4 you indicate that the Postal Service expects fewer than 20 participants in this experiment in the first year. What are your expectations on the number of participants using RDU/RBMC? What are your expectations on the number of participants using BPMRS? Do you anticipate any participants to use both sets of services?

APWU/USPS-T3-6. You indicate on page 12 of your testimony that the split between the projected number of RDU parcels and the projected number of RBMC parcels is based on discussions with mailers. Given the relatively small number of participants and the relatively large number of potential RDU sites, why do you believe the density of returned parcels per RDU will be high enough to generate 1.8 million RDU pick-ups? Do you anticipate some RDUs being significantly more popular than others?

APWU/USPS-T3-7. In your discussions with mailers, did you discuss the "conversion" of an RDU package to an RBMC package? Do mailers anticipate picking up both RBMCs and RDUs, wherever the packages end up? Has any mailer expressed concern with being charged higher RBMC rates when they were expecting to be charged an RDU rate for the return? Has any mailer expressed concern that their customers will be confused or inconvenienced by this unexpected change in the parcel return cost?

APWU/USPS-T3-8. On page 10 of your testimony you make the statement that the proposed pricing passes through most of the aggregate savings projected for the RBMC rate category. However, in WP-PRS-13 the savings passthrough is calculated at approximately 67 percent. Please clarify your comment on page 10 with respect to the WP-PRS-13 savings passthrough.

APWU/USPS-T3-9. On page 10 of your testimony you state that the savings passthroughs are lower for heavier parcels. At what weight do you begin reducing passthrough rates? If current actual parcel distributions contain more light weight parcels than was anticipated from the distributions in R2001-1, would that increase the overall passthrough percentage for the RBMC service?