

UNITED STATES OF AMERICA
Before The
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Rate and Service Changes to Implement)
Functionally Equivalent Negotiated)
Service Agreement with Bradford Group)

Docket No. MC2007-4

OFFICE OF THE CONSUMER ADVOCATE INTERROGATORIES
TO UNITED STATES POSTAL SERVICE
WITNESS BRODERICK A. PARR
(OCA/USPS-T1-11-14)
(August 27, 2007)

Pursuant to Rules 25 through 28 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-T1-1-4, dated August 10, 2007, are hereby incorporated by reference

Respectfully submitted,

Kenneth E. Richardson, Acting Director
Office of the Consumer Advocate

Emmett Rand Costich, Attorney

901 New York Avenue, N.W.
Washington, D.C. 20268-0001
(202) 789-6833; Fax (202) 789-6891
e-mail: costicher@prc.gov

OCA/USPS-T1-11. Please refer to your testimony, Appendix E, the Proposed Data Collection Plan, as revised August 24, 2007. As part of the proposed Data Collection Plan (DCP), please confirm that the Postal Service proposes that the data collected and information developed be reported to the Commission on an annual basis. If you do not confirm, please explain.

OCA/USPS-T1-12. Please refer to your testimony, Appendix E, the Proposed Data Collection Plan, as revised August 24, 2007.

- a. For each of the eight enumerated items in the proposed Data Collection Plan (DCP), please confirm that the Postal Service will be able to use the data collected or information developed to distinguish the Bradford Group's actual letter-shaped and flat-shaped volumes that are induced by the NSA's discounts from volumes caused by all other factors. For each enumerated item that you can not confirm, please explain. For each enumerated item that you can confirm, please give an example and provide sample calculations as to how you will distinguish actual letter-shaped and flat-shaped volumes that are induced by the NSA's discounts from volumes caused by all other factors.
- b. For each of the eight enumerated items in the proposed Data Collection Plan (DCP), please confirm that the Postal Service will be able to use the data collected or information developed to determine that any net contribution identified by the Postal Service as being received pursuant to the NSA is the result of the Bradford Group's actual letter-shaped and flat-shaped volumes induced by the NSA's discounts rather than volumes caused by all other factors.

For each enumerated item that you can not confirm, please explain. For each enumerated item that you can confirm, please give an example and provide sample calculations as to how you will determine that the source of the identified net contribution is the result of actual letter-shaped and flat-shaped volumes induced by the NSA's discounts rather than volumes caused by all other factors.

OCA/USPS-T1-13. Please refer to your testimony, Appendix E, the Proposed Data Collection Plan, as revised August 24, 2007. Please confirm that under the Data Collection Plan as proposed, the Postal Service will be unable to distinguish the Bradford Group's actual volumes that are induced by the NSA's discounts from volumes caused by all other factors. If you do not confirm, please explain. If you do confirm, please explain and provide a proposed Data Collection Plan that permits the Postal Service to distinguish the Bradford Group's actual volumes that are induced by the NSA's discounts from volumes caused by all other factors.

OCA/USPS-T1-14. Please refer to your response to OCA/USPS-T1-4, which states, in part,

Given that I have three years of data for Bradford Group with only one price change during those years, the development of an own-price elasticity specific to the Bradford Group would result in an unreliable estimate.

- a. Please confirm that the "one price change during those [three] years" was the change in rates implemented January 8, 2006, in response to Docket No. R2005-

1. If you do not confirm, please explain and identify the rate change to which you refer.
- b. Please explain why the “development of an own-price elasticity specific to the Bradford Group would result in an unreliable estimate.”
- c. Based upon the three years of data available, please provide an estimated own-price elasticity for the Bradford Group’s Standard Mail letters and flats. Please show all calculations.