

ORIGINAL

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

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

SPECIAL SERVICES REFORM, 1996

Docket No. MC96-3

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS LYONS TO INTERROGATORIES OF  
THE AMERICAN BANKERS ASSOCIATION  
(ABA/USPS-T1-2-3)

The United States Postal Service hereby provides responses of witness Lyons to the following interrogatories of the American Bankers Association: ABA/USPS-T1-2-3, filed on July 16, 1996. Interrogatory ABA/USPS-T1-1 was redirected to witness Needham.

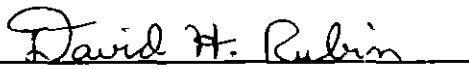
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

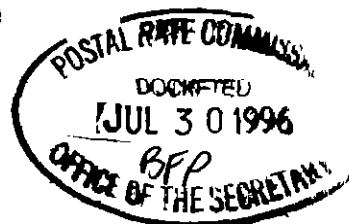
UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

  
David H. Rubin

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July 30, 1996



RESPONSE OF POSTAL SERVICE WITNESS LYONS TO  
INTERROGATORIES OF AMERICAN BANKERS ASSOCIATION

ABA/USPS-T1-2.

At pages 8 and 9 of your testimony, you state that the additional revenues the Postal Service would expect to receive if the requested changes occur total \$339.9 million. How much of these additional revenues will be paid by persons sending First-Class Mail?

**RESPONSE:**

Please refer to my Workpaper E. That workpaper shows the revenue changes for the classes and subclasses of mail, and special services. In particular, the decrease in revenue for First-Class Mail is about \$1.4 million, and the increase in revenue for Priority Mail is also about \$1.4 million. Workpaper E shows a total revenue increase of \$331.2 million, which does not include a projected increase in interest income of \$8.7 million. See my Exhibit A.

RESPONSE OF POSTAL SERVICE WITNESS LYONS TO  
INTERROGATORIES OF AMERICAN BANKERS ASSOCIATION

ABA/USPS-T1-3.

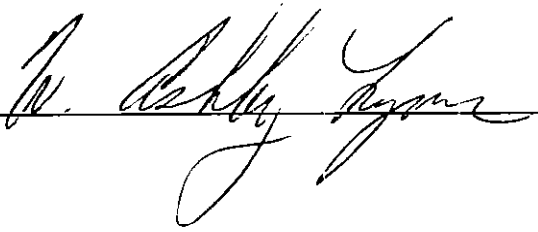
On page 8 of your testimony at lines 13 through 15, you state "Post office box revenues are estimated to increase by \$134.5 million, while attributable cost will decline by \$12.8 million." Do these figures include the changes requested in caller service fees? If so, how much of the increased revenue and decreased costs are associated with caller service? If not, by how much are the requested changes expected to increase revenue from caller service fees?

**RESPONSE:**

Please see my Workpaper D, page 3, which shows increased caller service revenues of \$6.6 million (41.713 minus 35.149), and decreased costs of \$5.2 million (29.041 minus 23.865).

**DECLARATION**


I, W. Ashley Lyons, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

  
\_\_\_\_\_

Dated: 7-29-97

**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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