

ORIGINAL

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

RECEIVED
AUG 7 4 33 PM '96
POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

SPECIAL SERVICES REFORM, 1996

Docket No. MC96-3

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS LION TO INTERROGATORY OF
THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-T4-21)

The United States Postal Service hereby provides the response of witness Lion to the following interrogatory of the Office of the Consumer Advocate: OCA/USPS-T4-21, filed on July 24, 1996. Interrogatories OCA/USPS-T4-22-26 were redirected to the Postal Service.

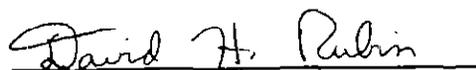
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


David H. Rubin

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2986; Fax -5402
August 7, 1996



**RESPONSE OF POSTAL SERVICE WITNESS LION TO INTERROGATORY
OF THE OFFICE OF THE CONSUMER ADVOCATE**

OCA/USPS-T4-21. Refer to LR-SSR-104, page 1, and USPS-T-7, footnote 15, at 23, concerning caller service. Please confirm that the "Facility Cost Mail Processing per Square Foot" was computed on the same basis as the average rental cost per square foot (see LR-SSR-99, at 5).

- a. If you do not confirm, please explain why the "Facility Cost Mail Processing per Square Foot" was not estimated on the same basis as the average rental cost per square foot for post office boxes.
- b. If you do not confirm, please provide for caller service the "Facility Cost Mail Processing per Square Foot" on the same basis as the average rental cost per square foot (see LR-SSR-99, at 5) computed for post office boxes by Delivery Group I-A, I-B, I-C, and Delivery Group II.

RESPONSE

Not confirmed.

- a. Average rental costs in LR-SSR-99 were calculated to provide a basis for allocating attributable space provision costs across delivery groups. The objective of this allocation was to account explicitly for the high correlation between space costs per square foot and the delivery group where the space is located.
- b. No data were collected on space used by caller service.

DECLARATION

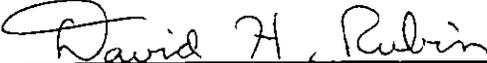
I, Paul M. Lion, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Paul M Lion

Dated: 8/7/96

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
David H. Rubin

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
August 7, 1996