

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 NEEDHAM TO FOLLOW-UP INTERROGATORIES OF
UNITED PARCEL SERVICE
(UPS/USPS-T8-9-10)

The United States Postal Service hereby provides responses of witness Needham to the following follow-up interrogatories of United Parcel Service: UPS/USPS-T8-9-10, filed on August 29, 1996.

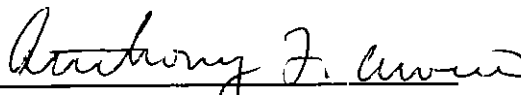
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

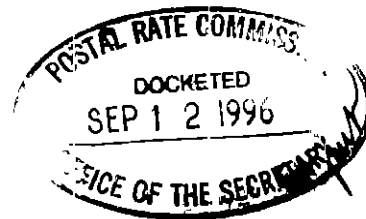
UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


Anthony F. Alverno

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
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September 12, 1996



RESPONSE OF WITNESS UNITED STATES POSTAL SERVICE
WITNESS NEEDHAM TO INTERROGATORIES OF
UNITED PARCEL SERVICE

UPS/USPS-T8-9. Please refer to your response to Interrogatory UPS/USPS-T8-1(a) in which you state that the authority for the Postal Service to offer insurance is "federal law." Please provide specific and complete citations for all federal statutory and/or regulatory provisions that authorize the Postal Service to offer insurance.

RESPONSE:

I have no particular skill or expertise in law; consequently, I am unable to provide a complete list of specific citations to federal statutory and regulatory provisions. Nonetheless, I am aware that the Postal Reorganization Act, various provisions in the Domestic Mail Classification Schedule (DMCS) (e.g., DMCS classification and fee schedules SS-6, SS-9, SS-14 and DMCS sections 160, 180 *et seq.*, 260, and 362) and Domestic Mail Manual sections S010, S500, S911, S913, and S921 are related to the Postal Service's offering of insured mail.

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UPS/USPS-T8-10. Please refer to your response to UPS/USPS-T8-2 that an underwriting analysis to support the Postal Service's current and proposed insurance coverages and rates by class and subclass of mail, and by incremental insured values is "not applicable." State fully and in detail all reasons why such an underwriting analysis is "not applicable."

RESPONSE:

The Postal Service has not prepared an underwriting analysis to support its current and proposed insurance coverages and rates by class and subclass of mail. I am unaware of any requirement that one be performed.

DECLARATION


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

Susan W Needham

Dated: September 12, 1996

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.


Anthony F. Alverno

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