

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

ORIGINAL

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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 QUESTION OF THE OFFICE OF THE CONSUMER ADVOCATE
POSED AT THE HEARING ON SEPTEMBER 10, 1996
(September 13, 1996)

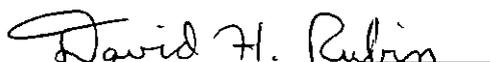
The United States Postal Service hereby provides the response of witness Needham to a question posed by the Office of the Consumer Advocate at the hearing on September 10, 1996. The question is stated verbatim, and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


David H. Rubin

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September 13, 1996



RESPONSE OF POSTAL SERVICE WITNESS NEEDHAM
TO QUESTION OF THE OFFICE OF THE CONSUMER ADVOCATE
AT THE HEARING ON SEPTEMBER 10, 1996

Question: Please refer to your response to Presiding Officer's Information Request No. 2, question 5(c). Please identify the origin of and provide the calculations to derive a figure of 1,293,544. It is not found in USPS-T-1, Workpaper C. (Tr. 3/763.)

RESPONSE:

The number 1,293,544 represents the "After Rates" number of boxes at postal-operated offices without carrier delivery. It was derived from the "Before Rates" numbers of Group II boxes by box size in offices without carrier delivery, as provided in the response of Postal Service witness Lyons to POIR No. 2, question 7, part a.

It is my understanding that the first step of the calculations is to split these numbers into residents and non-residents. The rounded percentages for residents and non-residents can be found in USPS-T-1, WP C, page 5, Table 1. The exact percentages used in the calculations are provided in the spreadsheet for Workpaper C, provided in USPS-LR-SSR-121.

I understand that the second step is to apply the corresponding acceptance percentages to the number of boxes for each box size and residency status, to arrive at the "After Rates" number of boxes for each box size and residency status. The rounded acceptance percentages can be found in column 6 of USPS-T-1, WP C, pages 2 and 3, for residents and non-residents, respectively. The exact percentages used in the calculations are provided in the spreadsheet for Workpaper C, provided in USPS-LR-SSR-121. The sum of the resulting 10 numbers is 1,293,544.

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.

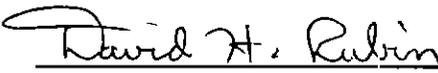
Susan W Needham

Dated: September 13, 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.

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September 13, 1996



David H. Rubin