

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KANEER
TO INTERROGATORY OF UNITED PARCEL SERVICE
(UPS/USPS-T40-1)

The United States Postal Service hereby provides the response of witness Kaneer to the following interrogatory of United Parcel Service: UPS/USPS-T40-1, filed on February 10, 2000.

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



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February 24, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KANEER TO
INTERROGATORY OF UNITED PARCEL SERVICE**

UPS/USPS-T40-1. Identify all instances in which you have relied on or used in your testimony in any way any FY 1999 cost, revenue, volume, or other data, and state in each such instance why you used FY 1999 data instead of data for BY1998.

RESPONSE:

A sample survey was conducted in November 1998 and during June to August 1999, before and after the implementation of the Docket No. R97-1 recommended post office box fees. These two surveys were used to estimate post office box size distribution, usage, and price sensitivity (see USPS-T-40, at 16, ln 19-22).

The percent of Caller Service storage cost related to Box Section Space originated from 1999 data developed by Postal Service Witness Campbell. This statistic was not developed for 1998 (see USPS-T-40, WP-3).

Also, 1999 CPI and GDP forecasts were used to forecast box counts from the base year to the test year and to estimate price elasticity of box demand (see USPS-T-40, WP-9 and LR-I-155 pages 73-74).

Other data used in the preparation of my exhibits and discussed in my testimony were derived from the work of several witnesses in this docket. For example, Postal Service witness Kashani provided Test Year PO Box Costs (see USPS-T-40, WP-2). My testimony, workpapers, and LR-I-155 document data sources. To the extent that any source witness may have incorporated data from FY 1999 into the preparation of the figures in their testimony upon which my work relied, there would be, by extension, some FY 1999 data forming the basis of my work. In order to accurately assess the extent to which FY 1999 data was used in the work of those witnesses, please refer to their responses to this identical interrogatory.

DECLARATION


I, Kirk T. Kaneer, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Kirk T. Kaneer

Dated: February 24, 2000

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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