

DOCKET SECTION

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 TAYMAN TO INTERROGATORY OF  
UNITED PARCEL SERVICE  
(UPS/USPS-T9-1)

The United States Postal Service hereby provides the response of witness Tayman to the following interrogatory of United Parcel Service: UPS/USPS-T9-1, filed on February 10, 2000.

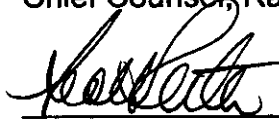
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



Scott L. Reiter

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February 24, 2000

**RESPONSE OF WITNESS TAYMAN TO INTERROGATORIES OF  
UNITED PARCEL SERVICE**

**UPS/USPS-T9-1.** Identify all instances in which you have relied on or used in your testimony in any way FY 1999 cost, revenue, volume, or other data, and state in each such instance why you used FY 1999 data instead of data for BY 1998.

**RESPONSE:**

I utilized the latest data available to the extent that it made a material difference to the estimates and could be incorporated without compromising the filing date.

In particular, I used actual FY 99 volume and revenue, the November 1999 DRI forecast (which resulted in actual FY 99 inflation factors and COLA unit costs calculations), and actual FY 99 health benefit premium changes. This approach yielded an FY 99 estimate of expenses which was only \$8 million different than actual expenses.

I was unable to incorporate actual FY 99 expense data because it was not available in time to update the required models, testimony, and Library References.

**DECLARATION**

I, William P. Tayman, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

William P. Tayman

Dated: 2-24-2000

**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.



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Scott L. Reiter

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February 24, 2000