

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 TAUFIQUE
TO INTERROGATORY OF UNITED PARCEL SERVICE
(UPS/USPS-T38-1)

The United States Postal Service hereby provides the response of witness Taufique to the following interrogatory of United Parcel Service: UPS/USPS-T38-1, filed on February 10, 2000.

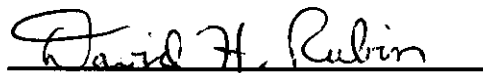
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



David H. Rubin

475 L'Enfant Plaza West, S.W.
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February 24, 2000

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

UPS/USPS-T38-1. 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 instance why you used FY 1999 data instead of data for BY 1998.

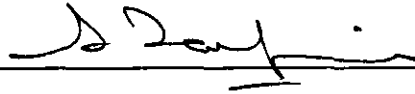
RESPONSE

I have used FY 1999 PQ3 data to estimate the distribution of pieces for the Basic, 3-Digit and 5-Digit categories for BY 1998. This was done because the FY 1998 classification used a combined 3/5-Digit rate and pieces sorted to the non-unique 3-Digit were included in the Basic category. A classification change recommended by the Commission and adopted by the Governors in Docket No. R97-1 split the combined 3/5-Digit category into separate 3-Digit and 5-Digit categories. Also pieces sorted to non-unique 3-Digit rates moved to the 3-Digit category instead of Basic as a result of this classification change.

Other data used in the preparation of my spreadsheets and testimony were derived from other witnesses in this docket. For instance, volume variable cost figures were obtained from witness Kashani (USPS-T-14); volume forecasts were obtained from witness Tolley (USPS-T-6) and cost study results were obtained from witnesses Yacobucci (USPS-25), Daniel (USPS-T-28), Crum (USPS-T-27) and Miller (USPS-T-24). To the extent that any of these and other witnesses 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 testimony and spreadsheets. In order to accurately assess the extent to which FY 1999 data was used in the work of these witnesses, please refer to their responses to this identical interrogatory.

DECLARATION

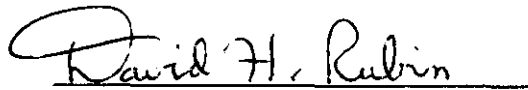
I, Altaf H. Taufique, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.



Dated: 2/24/00

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.

A handwritten signature in cursive script that reads "David H. Rubin". The signature is written in black ink and is positioned above a horizontal line.

David H. Rubin

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