

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 MUSGRAVE TO INTERROGATORY OF
UNITED PARCEL SERVICE
(UPS/USPS-T8-4)

The United States Postal Service hereby provides the response of witness Musgrave to the following interrogatory of United Parcel Service: UPS/USPS-T8-4, 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



Eric P. Koetting

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February 24, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MUSGRAVE
TO INTERROGATORIES OF UNITED PARCEL SERVICE**

UPS/USPS-T8-4. 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:

The FY 1999 volume data are included in the data I used to estimate the coefficients of the Priority Mail and Express Mail models. (Therefore, FY 1999 data are included in my analysis of the estimated shift of mail caused by the change in the weight breakpoint between Priority Mail and First-Class letter mail, as described in detail in LR-I-114.) I used FY 1999 volume data to produce the volume forecasts for Priority Mail and Express Mail. I was instructed by the Postal Service to use these data.

DECLARATION

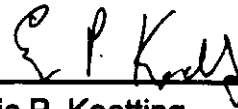
I, Gerald L. Musgrave, declare under penalty of perjury that the foregoing answers are true and correct to the best of my knowledge, information, and belief.

G. MUSGRAVE

Dated: 2/21/00

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.



Eric P. Koetting

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