

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

The United States Postal Service hereby provides the response of witness Kiefer 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 U.S. POSTAL SERVICE WITNESS KIEFER
TO INTERROGATORY OF UNITED PARCEL SERVICE

UPS/USPS-T37-1. 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 BY 1998.

RESPONSE:

I used FY 1999 data directly in the following ways.

1. I used FY 1999 volume data to calculate the shares of single piece and presort Media Mail (Special Standard Mail) that received the barcoding discount, and then used these shares to develop my rates. These calculations are presented and documented in my workpaper WP-SS-1, Items 6 and 7. I used FY 1999 data because comparable data were not available for FY 1998. Special Standard Mail first became eligible for the barcoding discount on January 10, 1999.
2. I used FY 1999 volume data to calculate partial year billing determinants for Library Mail and used these billing determinants to develop my rates. In particular I used these data to calculate the shares of Library Mail that received presort and barcoding discounts. These billing determinants are presented in my workpaper WP-LM-2. The barcoding shares calculations are presented and documented in my workpaper WP-LM-1, Items 6 and 8.

I used FY 1999 data because comparable data were not available for FY 1998. Library Mail first became eligible for presort and barcoding discounts on January 10, 1999.
3. I used FY 1999 volume data to calculate the shares of single piece and presort Bound Printed Matter that received the barcoding discount, and then

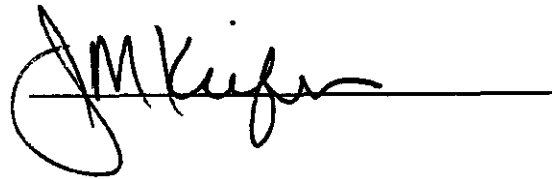
RESPONSE OF U.S. POSTAL SERVICE WITNESS KIEFER
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used these shares to develop my rates. These calculations are presented and documented in my workpaper WP-BPM-1, Items 7 and 8. I used FY 1999 data because comparable data were not available for FY 1998. Bound Printed Matter first became eligible for the barcoding discount on January 10, 1999.

My workpapers WP-SS-1, WP-LM-1, and WP-BPM-1 identify where I relied on data supplied by other Postal Service witnesses. I do not know the extent to which these witnesses relied on FY 1999 data.

DECLARATION

I, James M. Kiefer, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

A handwritten signature in black ink, appearing to read "JMKiefer", is written over a solid horizontal line.

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 black ink, appearing to read "Scott L. Reiter", is written over a solid horizontal line.

Scott L. Reiter

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