

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
TO INTERROGATORY OF
THE AMERICAN BANKERS ASSOCIATION AND
NATIONAL ASSOCIATION OF PRESORT MAILERS
REDIRECTED FROM WITNESS MILLER
(ABA&NAPM/USPS-T24-4)

The United States Postal Service hereby provides the response of witness Bozzo to the following interrogatory of the American Bankers Association and National Association of Presort Mailers: ABA&NAPM/USPS-T24-4, filed on February 18, 2000, and redirected from witness Miller.

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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March 3, 2000

**Response of United States Postal Service Witness Bozzo to Interrogatory of
American Bankers Association and National Association of Presort Mailers
(Redirected from Witness Miller, USPS-T-24)**

ABA&NAPM/USPS-T24-4. By cost pool, how, if at all, do your volume variability factors in R2000-1 vary quantitatively from those used by USPS in R97-1? For each difference, list the difference, the cost pool, and explain why the volume variability factor has changed.

ABA&NAPM/USPS-T24-4.

For the requested quantitative differences, please compare witness Van-Ty-Smith's Table 1 (USPS-T-17 at page 24) with the analogous material from Docket No. R97-1, which was presented as witness Degen's Table 4 (Docket No. R97-1, USPS-T-12, at page 15). For the cost pools with econometric results presented in the tables at pages 119-120 of USPS-T-15, the volume variability factors used in Docket No. R2000-1 have changed from their Docket No. R97-1 values to match the results of the econometric analysis presented in USPS-T-15. For the remaining costs pools, the volume-variability factors applied in Docket No. R2000-1 result from an IOCS-based method similar to the Commission's method; see USPS-T-15 at pages 132-139 and USPS-T-17 at pages 11-12.

DECLARATION

I, A. Thomas Bozzo, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

A. Thomas Bozzo

Dated: 5/3/00

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, appearing to read "Susan M. Duchek", is written over a horizontal line.

Susan M. Duchek

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