

BEFORE THE
POSTAL RATE COMMISSION

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

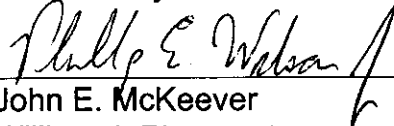
POSTAL RATE AND FEE CHANGES, 2000

DOCKET NO. R2000-1

INTERROGATORY AND REQUEST FOR PRODUCTION OF DOCUMENTS
FROM UNITED PARCEL SERVICE TO UNITED STATES POSTAL
SERVICE WITNESS MEEHAN AND NOTICE OF ERRATUM
(UPS/USPS-T11-18)
(March 7, 2000)

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby serves the following interrogatory and request for production of documents directed to United States Postal Service witness Meehan: UPS/USPS-T11-18. On March 6, 2000, UPS filed interrogatories UPS/USPS-T11-7 through 17 with a cover page that erroneously identified T11-18 as being filed with those interrogatories. UPS apologizes for any inconvenience this may have caused.

Respectfully submitted,


John E. McKeever
William J. Pinamont
Phillip E. Wilson, Jr.
Attorneys for United Parcel Service

Piper Marbury Rudnick & Wolfe LLP
3400 Two Logan Square
18th & Arch Streets
Philadelphia, PA 19103-2762
(215) 656-3310
(215) 656-3301 (FAX)
and
1200 Nineteenth Street, NW
Washington, DC 20036-2430
(202) 861-3900

Of Counsel.

INTERROGATORY AND REQUEST FOR PRODUCTION
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UNITED STATES POSTAL SERVICE WITNESS MEEHAN

UPS/USPS-T11-18. Refer to your Workpaper B, page 124 (WS 7.0.1, Summary of Cost Components), or the electronic version filed as Library Reference USPS-LR-I-80, file Cs06&7.xls, tab 7.0.1. In column 2, lines 30 and 31, Letter Route volume variable route and other costs are \$182,970,000, and Letter Route total route costs are \$2,095,146,000. In column 4, lines 30 and 31, Special Purpose Route ("SPR") volume variable route costs are \$0, and SPR total route costs are \$134,770,000.

Refer also to your Workpaper B, page 131 (WS 7.0.3, Letter & SPR Cost Summary), or USPS-LR-I-80, file Cs06&7.xls, tab 7.0.3. In column 21, line 54, total route costs (\$2,229,916,000) are calculated as the sum of total letter route costs (\$2,095,146,000) and total SPR route costs (\$134,770,000). The SPR route costs are derived from the SPR analysis, Workpaper B, page 147 (WS 7.0.5, Development of SPR Accrued and VVC by Function, or USPS-LR-I-80, file Cs06&7.xls, tab 7.0.5), which shows Route / Institutional Costs as \$134,770,000 at column 5, line 49.

(a) Confirm that SPR volume variable route costs are \$0. If not confirmed, identify where the SPR volume variable route costs are calculated and provide total SPR volume variable route costs.

(b) Identify the data sources used in the calculations of SPR volume variable route costs.

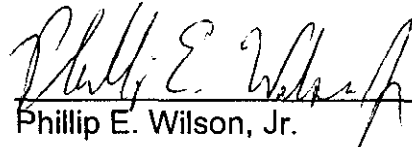
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(c) If the SPR volume variable route costs are zero, provide an explanation as to why this is the case. Provide any documentation, including reports or studies, that support your explanation.

(d) What other cost segments use the allocations from Cost Segments 6 and 7?

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document by first class mail, postage prepaid, in accordance with Section 12 of the Commission's Rules of Practice.



Phillip E. Wilson, Jr.
Attorney for United Parcel Service

Dated: March 7, 2000
Philadelphia, Pa.

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