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 UNITED PARCEL SERVICE REDIRECTED FROM WITNESS MEEHAN (UPS/USPS-T11-6(a))

The United States Postal Service hereby provides its response to the following interrogatory of United Parcel Service: UPS/USPS-6(a), filed on February 23, 2000, and redirected from witness Meehan. Subpart (b) of the interrogatory is responded to separately by witness Meehan.

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

Susan M. Duchek

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2990 Fax –5402 March 8, 2000

Response of United States Postal Service to Interrogatories of United Parcel Service (Redirected from witness Meehan, USPS-T-11)

UPS/USPS-T11-6 Refer to USPS-LR-I-80, File Cs06&7.xls, Tabs Input LR and 7.0.4.1.

- (a) Line 5 represents "Vehicle Use Factor."
 - (i) What is the definition and source of the "Vehicle Use Factor"?
 - (ii) How is this factor used in your calculations?
- (b) Lines 6 and 8 both represent "Route/Access (FAT)." The two lines are not equal. Line 6 appears to be the sum of line 7, "driving time", and line 8.
 - (i) Why do the lines both represent "Route/Access (FAT)"?
 - (ii) How is line 6 used in your calculations?
 - (iii) How is line 8 used in your calculations?

Response:

- (a) (i) The Vehicle Use Factor is the percentage of time on a motorized route that a vehicle is in use. See also USPS-T-20 pages 11-12 for further detail.
- (ii) The Vehicle Use factor is not used by Witness Meehan in calculating Postal Service costs. It is used by the PRC in their calculations of attributable cost. The source of the Vehicle Use Factor shown on line 5 is correct. The factors listed in USPS-LR-I-80, Tab Input LR, File Cs06&7.xls, line 5, are incorrect. Corrected Vehicle Use Factors would cause an overall decrease in attributable cost of approximately \$3.8 million in the PRC version of the base year 1998 cost model, contained in USPS-LR-I-130.

CERTIFICATE OF SERVICE

! 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.

Susan M. Duchek

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