

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 KANEER
TO INTERROGATORIES OF DAVID B. POPKIN,
REDIRECTED FROM THE POSTAL SERVICE
(DBP/USPS-7-8)

The United States Postal Service hereby provides the responses of witness Kaneer to the following interrogatories of David B. Popkin: DBP/USPS-7 and 8, filed on March 3, 2000, and redirected from the Postal Service. A partial objection to interrogatory DBP/USPS-7 was filed on March 13, 2000.

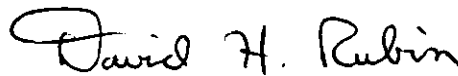
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



David H. Rubin

475 L'Enfant Plaza West, SW
Washington, DC 20260-1137
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March 17, 2000

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KANEER
TO INTERROGATORY OF DAVID B. POPKIN,
REDIRECTED FROM THE POSTAL SERVICE

DBP/USPS-T40-7.

- a. Confirm, or explain if you are not able to, that the box rents for Englewood Cliffs, New Jersey 07632 were recently changed from Fee Group C to Fee Group B.
- b. What were the parameters utilized to determine whether to change Fee Groups for a specific facility [please provide all six scenarios for changes between A, B, and C].
- c. Please describe, in detail, how the calculations were made which resulted in the Englewood Cliffs change.
- d. Please provide the specific numbers utilized for that change.

RESPONSE:

A partial objection to this interrogatory has been filed.

As noted in 63 Fed. Reg. 71374-75 (copy attached to this response), Englewood Cliffs, NJ 07632 was reclassified from Fee Group C to Fee Group B effective January 10, 1999. There were only four sets of changes: up from Groups B and C and down from Groups A and B. The thresholds for change are identified in the attachment.

Space costs for specific facilities, including Englewood Cliffs, were drawn from actual leases. Post office box utilization rates (boxes in use divided by boxes installed) were based on the results of the Docket No. MC96-3 post office box study (see Docket No. MC96-3, USPS-T-4, Section II) as confirmed by telephone in 1998. The calculated cost per square foot for Englewood Cliffs was greater than \$30 based on total annual rent divided by total square feet. Post office box capacity utilization was also over 90 percent.

The purpose of this very limited change involving 29 offices whose costs and capacity utilization cried out for change was to gain operational experience with fee changes driven by location cost before proposing a more comprehensive nationwide change for over 30,000 locations.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KANEER TO
TO INTERROGATORY OF DAVID B. POPKIN
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DBP/USPS-T40-8. To enable me to better understand the changes in Fee Groups for Post Office Boxes, please advise both the present and proposed Fee Groups for each of the facilities with Post Office Boxes in the 076 ZIP Code area [07601 through 07675].

RESPONSE:

Physical ZIP Code	Current Fee Group	Proposed Fee Group
07601	GROUP C	GROUP C3
07603	GROUP C	GROUP C3
07604	GROUP C	GROUP C3
07605	GROUP C	GROUP C3
07607	GROUP C	GROUP C4
07620	GROUP D	GROUP D6
07621	GROUP C	GROUP C4
07624	GROUP C	GROUP C4
07626	GROUP C	GROUP C3
07627	GROUP C	GROUP C4
07628	GROUP C	GROUP C3
07630	GROUP C	GROUP C3
07631	GROUP C	GROUP C4
07632	GROUP B	GROUP B2
07640	GROUP C	GROUP C3
07641	GROUP C	GROUP C3
07642	GROUP C	GROUP C3
07643	GROUP C	GROUP C3
07644	GROUP C	GROUP C3
07645	GROUP C	GROUP C3
07646	GROUP C	GROUP C3
07647	GROUP C	GROUP C3
07648	GROUP C	GROUP C3
07649	GROUP C	GROUP C3
07650	GROUP C	GROUP C3
07652	GROUP C	GROUP C3
07656	GROUP C	GROUP C3
07657	GROUP C	GROUP C3
07660	GROUP C	GROUP C3
07661	GROUP C	GROUP C3
07662	GROUP C	GROUP C3
07666	GROUP C	GROUP C3
07670	GROUP C	GROUP C5
07675	GROUP C	GROUP C3

DECLARATION

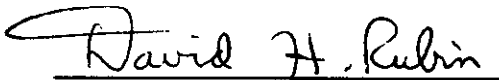
I, Kirk T. Kaneer, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Kirk T. Kaneer

Dated: MARCH 17, 2000

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.


David H. Rubin

475 L'Enfant Plaza West, SW
Washington, DC 20260-1137
March 17, 2000