

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 THE UNITED STATES POSTAL SERVICE
WITNESS CRUM TO CSA INTERROGATORIES
(CSA/USPS-T27-1-2)

The United States Postal Service hereby provides the response of witness Crum to the following interrogatories of the Continuity Shippers Association: CSA/USPS-T27-1-2, filed on March 3, 2000.

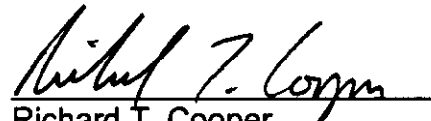
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


Richard T. Cooper

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March 17, 2000

**U.S. POSTAL SERVICE WITNESS CHARLES L. CRUM
RESPONSE TO INTERROGATORIES
OF CONTINUITY SHIPPERS ASSOCIATION**

CSA/USPS-T-27-1.

Do the data on which your analysis of the cost differential between flats and parcels relies incorporate the elimination of the single piece Standard A parcel rate category shortly after the end of the base year?

- (a) If not, what effect on the cost differences that you measure would the elimination of the single piece costs have on test year costs?
- (b) Please provide revised versions of your Tables 3-3.6 to demonstrate your answer to sub-part (a) above.

RESPONSE

My analysis considers only the four bulk subclasses of Standard Mail (A). Those are Regular, Enhanced Carrier Route, Nonprofit, and Nonprofit Enhanced Carrier Route. The presence or absence of the former Single-Piece subclass has no bearing on my results.

- a. None.
- b. Since the presence or absence of Single-Piece has no impact on my analysis, Tables 3-3.6 would not change.

**U.S. POSTAL SERVICE WITNESS CHARLES L. CRUM
RESPONSE TO INTERROGATORIES
OF CONTINUITY SHIPPERS ASSOCIATION**

CSA/USPS-T-27-2.

What would the cost of a Standard A single piece regular commercial parcel be versus Standard A bulk regular commercial parcel? Please provide versions of your Table 3.2 for a Standard A single piece regular commercial parcel.

RESPONSE

I have done no analysis related to Standard Mail (A) Single-Piece parcels. The Base Year 1998 Cost Segments and Components contained in the testimony of witness Meehan (Exhibit USPS-11A, page 7) shows total Single-Piece costs of \$213,628,000. The 1998 revenues of \$123,859,000 and volumes of 150,276,000 can be found on pages 6 and 8 of the testimony of witness Hunter (USPS-T-5). All these data are for all of Single-Piece and not specifically related to parcels.

DECLARATION

I, Charles L. Crum, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.


CHARLES L. CRUM

Dated: 16 MARCH 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.


Richard T. Cooper

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