

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

RESPONSES OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF MAJOR MAILERS ASSOCIATION
REDIRECTED FROM POSTAL SERVICE WITNESS MAYES
(MMA/USPS-T32-1)

The United States Postal Service hereby provides its response to the following interrogatory of Major Mailers Association: MMA/USPS-T32-1 (filed on March 16, 2000). The interrogatory has been redirected from witness Mayes to the Postal Service for response.

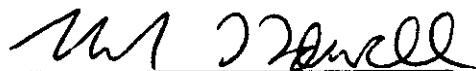
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Michael T. Tidwell

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March 30, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE TO MMA INTERROGATORIES
REDIRECTED FROM WITNESS MAYES**

MMA/USPS-T32-1 In the exhibits to your prepared testimony, you provide a summary of Test Year Finances showing Revenue and Volume Variable Costs on a before rates (USPS-32A, p. 1) and after rates (USPS-32B, p. 1) basis.

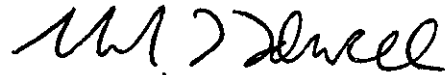
- (a)** Please provide a similar table, in exactly the same format as USPS-32A, on a before rates basis showing the volume variable costs using the Commission-approved cost methodology.
- (b)** Please provide a similar table, in exactly the same format as USPS-32B, on an after rates basis showing the volume variable costs using the Commission-approved cost methodology.

Response:

All of the information required to produce these financial summaries has already been made available. As can be seen by reference to the footnotes to the tables in question, witness Mayes's tables were created by pulling together the revenue estimates from the various pricing witnesses and the volume variable costs from witness Kashani's (USPS-T-14) testimony. Please refer to the revised summary tables filed by witness Mayes on February 18, 2000 for the revenue figures. Please also refer to Library Reference LR-I-131 for the PRC version of test year costs. The test year before rates costs including all final adjustments and contingency are provided in Table E of Volume H of LR-I-131, and the test year after rates costs including all final adjustments and contingency are provided in Table E of Volume J of LR-I-131.

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.



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