

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

DOUGLAS F. CARLSON
FOLLOW-UP INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS ANTHONY M. YEZER
(DFC/USPS-T31-8-18)

April 8, 2000

Pursuant to Rules 25-27, I hereby submit follow-up interrogatories to United States Postal Service witness Anthony M. Yezer.

If the witness is unable to provide a complete, responsive answer to a question, I request that the witness redirect the question to a witness who can provide a complete, responsive answer. In the alternative, I request that the question be redirected to the Postal Service for an institutional response.

Respectfully submitted,

Dated: April 8, 2000



DOUGLAS F. CARLSON

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the required participants of record in accordance with section 12 of the *Rules of Practice*.



DOUGLAS F. CARLSON

April 8, 2000
Emeryville, California

DFC/USPS-T31-8. Please describe the necessary conditions that must exist for you or the Postal Service to conclude that a shortage of post-office boxes exists at a particular facility that is severe enough to warrant installation of additional boxes.

DFC/USPS-T31-9. Please refer to your response to DFC/USPS-T31-2. By “proper incentive to expand services,” are you referring specifically to either box services or the number of post-office boxes installed? If not, please explain.

DFC/USPS-T31-10. Please refer to your response to DFC/USPS-T31-2. Please discuss specifically the extent to which a shortage of available post-office boxes exists nationwide.

DFC/USPS-T31-11. Do you believe that expansion of a box section or installation of new boxes at a facility would be justified if the facility had sufficient box capacity (and no waiting list) to provide boxes to all customers who requested boxes and if the Postal Service did not expect this demand situation to change? If yes, please explain.

DFC/USPS-T31-12. From the point of view of fairness and economic efficiency, should box customers in a city contribute financially to construction of a new and larger post office in their city to a greater extent than the increase in the rental-related costs (as you calculated rents) of providing box service at the new post office? Please explain.

DFC/USPS-T31-13. Please refer to the “zplist4” file in USPS-LR-I-241. Some facilities have the same number of boxes installed as the number of boxes in use. In your opinion, does a shortage of boxes necessarily exist at these facilities? Please explain.

DFC/USPS-T31-14. Please define the meaning of “opportunity cost of space” as you used the term in DFC/USPS-T31-2.

DFC/USPS-T31-15. Please refer to your response to DFC/USPS-T31-2. Suppose the annual fee for a post-office box in a Postal Service–owned building is \$45. Suppose, further, that the Postal Service proposes a fee of \$55 for this box. In addition, the box is located in a facility where no shortage of boxes exists, and no shortage is foreseeable in the next several years. Please discuss the effect of this \$10 fee increase on consumer surplus and producer surplus.

DFC/USPS-T31-16. Please refer to your response to DFC/USPS-T31-2. Please discuss how imputed rental costs that reflect the opportunity cost of space lead to an economically efficient supply of post-office boxes.

DFC/USPS-T31-17. Please confirm that, due to Postal Service decisions on locating postal facilities, customers may use a postal facility for reasons other than the convenience of the facility’s location. (For example, a post office located in a mall may be the only post office in a particular city or community, but customers may not find a mall location convenient.) Note that this question does not state or require that the customer finds the location convenient. If you do not confirm, please explain.

DFC/USPS-T31-18. Please explain your understanding, *at the time you prepared your testimony*, of the Postal Service’s policy toward earmarking or otherwise designating funds derived from higher box fees for financing expansion of box sections.