BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268–0001

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000–1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS VAN-TY-SMITH TO INTERROGATORY OF UNITED PARCEL SERVICE REDIRECTED FROM WITNESS DEGEN (UPS/USPS–T16-8(a) and (b))

The United States Postal Service hereby provides the response of witness Van-Ty-Smith to the following interrogatory of United Parcel Service: UPS/USPS–T16-8 (a) and (b), filed on April 6, 2000, and redirected from witness Degen.

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

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April 20, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS VAN-TY-SMITH TO
UPS INTERROGATORIES
Redirected from Witness Degen (USPS-T16)**

UPS/USPS-T16-8. Refer to your response to interrogatory UPS/USPS-T16-7.

a. With respect to your reference to witness Van-Ty-Smith's response to TW/USPS-
T17-4, provide all SAS programs used to create the tables referenced in
response to TW/USPS-T17-4 in hard copy and electronic format.

b. Describe in detail how the LDC cost pools were separated into the non-MODS
cost pool classifications.
* * *

RESPONSE TO UPS/USPS-T16-8.

a. The tables provided in response to TW/USPS-T17-4 can be generated by the

following SAS programs:

        1)   MBC
        2)   MOD1POOL
        3)   a modified version of NONMOD1 -- which is applied to the MODS
                  Function 4 LDC cost pools created by program MOD1POOL
        4)   *DOLWGT -- which is invoked in the modified program cited in 3)*
                  above.

Programs MBC, MOD1POOL DOLWGT and NONMOD1 are already available

from one of the two diskettes filed in USPS-LR-I-106. The attachment to this

response provides a hard copy of the modified version of NONMOD1 where

irrelevant SAS codes are deleted and new ones are added. The SAS code

additions or modifications are in italic. For an example of the JCL set up, see my

response to UPS/USPS-T17-3.

b. *The LDC cost pools are separated into the non-MODS cost pool classifications*

by using the dollar-weighted tallies for the IOCS uniform operation codes in F260

and Questions 18 and 19 (see my response to a. above and the SAS codes in

the attachment).

*Modified PROGRAM NONMOD1 provided in response to UPS/USPS-T16-8a;

```
DATA MAILP ADWNMOD ;
  set out1.mods;

    if substr(pool,1,4)='LD48'
    or pool='LD41' or pool='LD43' or pool='LD44'
    or pool='LD49' or  pool='LD79';
    actv   = f9806;
    #include  'xxxxxx.xxxxxxxx.xxxxxxxx(dolwgt)' /source2;
    dol=wgt*factor;
    costpool = pool ;
    if substr(pool,1,4)='LD48' then costpool = 'LD48';
    pool='          ';

* .. establish mail processing operations based on iocs;

    IF '00'<=F260<='08'
    OR '11'<=F260<='16'
    OR '18'<=F260<='23'
    OR '27'<=F260<='29' THEN DO;

* .. establish cost pools based on q.19 and q.18;

    IF F9806='6521'      THEN POOL  ='Z BREAKS ';
    ELSE IF F128='A' THEN DO;
        IF F9211='A'      THEN POOL='MANL    ';
        ELSE IF F9211='B' THEN POOL='MANF    ';
        ELSE IF F9211='C' THEN POOL='MANP    ';
        ELSE                   POOL='ALLIED  ';
                        END;
    ELSE IF 'B'<=F128<='F' THEN POOL='AUTO/MEC';
    ELSE IF 'G'<=F128<='I' THEN POOL='ALLIED  ';
    ELSE IF 'J'<=F128<='M' THEN POOL='AUTO/MEC';
    ELSE IF 'N'<=F128<='R' THEN POOL='ALLIED  ';
    ELSE IF     F128 ='S' THEN POOL='AUTO/MEC';
    ELSE IF 'T'<=F128<='U' THEN POOL='ALLIED  ';
    ELSE IF 'A'<=F116<='H' OR 'A'<=F118<='K' OR F121='Y'
                        THEN POOL='ALLIED  ';
    ELSE IF F260='18' THEN POOL='REGISTRY';
    ELSE IF F260='22' THEN POOL='EXPRESS ';
    ELSE                   POOL='MISC    ';

                    END;

IF   POOL = '    ' THEN   POOL = F260;
    IF   ACTV = '6522' THEN   POOL = '6522';

    IF   POOL > '0'  THEN OUTPUT ADWNMOD ;
                ELSE OUTPUT MAILP   ;

*.......Cost Pools , based on $Tallies and Cost Pool$.............;

DATA COSTPOOL;
  SET ADWNMOD MAILP;
  DOL    =WGT*FACTOR;
  attrib pool label = 'Non-MODS Categories';
```

```
attrib costpool label = 'MODS Cost Pools';
PROC FREQ;
tables pool*costpool/nocol missing;
WEIGHT WGT;
TITLE1 '   ';
TITLE2 'Response to TW/USPS-T17-4 ';
TITLE3 'Breakdown of MODS 1&2 Costpools ';
TITLE4 'Into Non-MODS Categories Exhibited in Tables I-4A';
TITLE5 'of LR-I-106 - based on IOCS Tally Dollars';
FOOTNOTE 'BY 98 USPS VERSION - MODS';
PROC FREQ;
tables pool*costpool/nocol missing;
WEIGHT DOL;
TITLE1 '   ';
TITLE2 'Response to TW/USPS-T17-4 ';
TITLE3 'Breakdown of MODS 1&2 Costpools ';
TITLE4 'Into Non-MODS Categories Exhibited in Tables I-4B';
TITLE5 'of LR-I-106 - based on Cost Pool Dollars';
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DECLARATION

I, Eliane Van-Ty-Smith, declare under penalty of perjury that the foregoing

answers are true and correct, to the best of my knowledge, information, and

belief.

Eliane Van-Ty-Smith

Dated: 4-20-00

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.

Susan M. Duchek

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