

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 BRADLEY TO INTERROGATORIES OF  
UNITED PARCEL SERVICE  
(UPS/USPS-T18-7(j) and 9(e))

The United States Postal Service hereby provides the responses of witness Bradley to the following interrogatories of United Parcel Service: UPS/USPS-T18-7(j) and 9(e), filed on April 13, 2000. Interrogatories UPS/USPS-T18-7(a)-(i), 8 and 9(a)-(d) and (f)-(j) were redirected to the Postal Service.

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



Susan M. Duchek

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April 27, 2000

Response of United States Postal Service Witness Bradley  
to  
Interrogatories of UPS

UPS/USPS-T18-7. Refer to the Postal Service's response to interrogatory UPS/USPS-T18-2 in which the Postal Service states that "there is no such thing as an exceptional service contract."

- j. In your testimony in Docket No. R97-1, USPS-T13 at 22, footnote 12, you state that "The term 'exceptional' is used for contracts that cover what is typically thought of as emergency service (a truck breaks down, a truck driver is ill, etc.) Reconcile this statement with the Postal Service's statement that there are no exceptional contracts.

UPS/USPS-T18-7 Response.

Please note that all other parts and subparts of this interrogatory have been redirected to the Postal Service.

- j. The statement can be interpreted as meaning, "The term 'exceptional' is used for service on existing contracts that cover what is typically . . .

**Response of United States Postal Service Witness Bradley  
to  
Interrogatories of UPS**

**UPS/USPS-T18-9 Refer to the Postal Service's response to UPS/USPS-T18-4.**

- e. In estimating volume variability for highway transportation, do you control for variations in the proportions of costs that fall into the emergency and exceptional categories. If not, explain why not.**

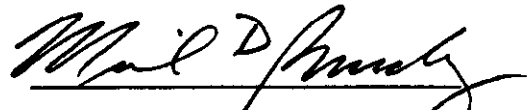
**UPS/USPS-T18-9 Response.**

**Please note that all other parts and subparts of this interrogatory have been redirected to the Postal Service.**

- e. The cost of exceptional service is not part of the variability analysis as the Postal Service assumes that the variability of this service is 100 percent. Following the method used by the Postal Service, UPS, and the Postal Rate Commission in Dockets No. R87-1 and R97-1, emergency contracts are combined with regular contracts (within each account category) for variability estimation purposes.**

**DECLARATION**

I, Michael D. Bradley, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information and belief.

  
Date: April 27, 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.

A handwritten signature in cursive script, appearing to read "Susan M. Duchek", is written over a solid horizontal line.

Susan M. Duchek

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