

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

RECEIVED
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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

SUPPLEMENTAL RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF MAGAZINE PUBLISHERS OF AMERICA
(MPA/USPS-20, 21, and 40(b))

The United States Postal Service hereby provides supplemental responses to the following interrogatories of Magazine Publishers of America: MPA/USPS-20, 21, and 40(c), filed on March 21, 2000. An objection to MPA/USPS-21 was filed on April 5, 2000 and initial responses to MPA/USPS-20 and 40(b) were filed on April 6, 2000.

Counsel for MPA contacted the Postal Service concerning the objection and the initial responses. In consultation with counsel for MPA, the Postal Service determined that certain encrypted and redacted information would be supplied in lieu of its objection to MPA/USPS-21, and that supplemental responses to MPA/USPS-20 and 40(b) would be provided.

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

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2990 Fax -5402
May 2, 2000

**SUPPLEMENTAL RESPONSE OF UNITED STATES POSTAL SERVICE TO
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MPA/USPS-20. Please itemize and describe the criteria used by the Postal Service to establish capacity requirements on individual Amtrak segments. Please state the average frequency with which these capacity requirements are typically adjusted.

RESPONSE

Capacity requirements are based on anticipated loads between facilities near Amtrak operating corridors. These loads are based on the experience of local logistics personnel in cooperation with Amtrak, as are the capacity requirements that result from them. The Postal Service does not have a measure of the typical frequency with which capacity requirements are adjusted. Since Periodicals mail is the majority of mail moved on Amtrak and since Periodicals volume growth has been stagnant for years, one can assume that variations in requirements are relatively infrequent.

The Postal Service purchases a baseline amount of transportation on city pairs served by Amtrak. This baseline is summarized in a footage summary. The summaries for the base year are attached to the response to MPA/USPS-21. The amounts of capacity and frequencies shown therein are based on the experience with volume flows between city pairs. Because of volumes can never be known with certainty, the contract allows for the purchase of exceptional service. Essentially, Amtrak has agreed to accept and move all mail regardless of the expected volumes underlying the footage summary. Exceptional service

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is provided at the same rate as regularly scheduled service (i.e., the price is pro rated). See USPS Library Reference I-266, P. 13, Section F.4.) The purchase of exceptional service and the footage summary then form a basis for future adjustments to the footage summary.

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MPA/USPS-21. For each Amtrak segment, please provide all capacity adjustments, including the date of the adjustment and before/after values of linear feet and cost, occurring between FY96 and BY98 inclusive.

RESPONSE

Attached please find redacted footage summaries describing scheduled service by city pair in the base year. The cities have been encrypted and cost information has been redacted.

**AMTRAK TRAIN/FOOTAGE
SUMMARY**

Effective July 1, 1998, the Train Operations and Footages Outlined
Below are Authorized for Computing Amtrak Line Haul Payments

Train #	Origin	Destination	Freq.	Contracted Footage	Rate Per Foot Mile	Miles Per Trip	Dollars	Comments
3	City 2	City 3	X57	240		2246		
3	City 2	City 3	5,7	300		2246		
3	City 2	City 4	567	180		2418		City 3
3	City 2	City 4	1234	135		2418		City 3
4	City 3	City 2	Daily	120		2246		
4	City 4	City 2	234	180		2418		City 3
4	City 4	City 2	167	90		2418		City 3
4	City 4	City 2	5	135		2418		City 3
5	City 2	City 5	Daily	120		1037		
5	City 5	City 6	Daily	60		571		
5	City 6	City 4	Daily	48		841		
6	City 4	City 6	Daily	48		841		
6	City 6	City 5	Daily	60		571		
6	City 5	City 2	Daily	60		1037		
6	City 4	City 5	45	48		1385		City 6
7	City 2	City 10	123	120		418		
7	City 10	City 11	X456	96		1791		
7	City 2	City 10	X123	180		418		
7	City 10	City 11	4,5,6	144		1791		
8	City 11	City 2	Daily	48		2209		
12	City 1	City 12	X17	180		232		
12	City 9	City 1	X17	240		225		
12	City 9	City 1	1	120		225		
12	City 9	City 1	7	180		225		
12	City 1	City 12	1	60		232		
12	City 1	City 12	7	120		232		
HNHV	City 13	Drayage	Daily	45		19		
D13	City 14	Drayage	Daily	40		15		DRAYAGE
H13	City 12	City 14	X1	45		98		
13	City 14	City 9	daily	240		362		
13	City 14	City 7	X1	156		227		
D19	City 15	Drayage	Daily	20		16		DRAYAGE
H19	City 1	City 16	Daily	16		461		
19	City 17	City 18	Daily	15		522		
19	City 1	City 9	1	45		225		
19	City 1	City 9	X1	60		225		
19	City 9	City 17	1	60		633		
19	City 9	City 17	2,7	90		633		
19	City 9	City 17	3,4,5,6	120		633		
20	City 17	City 9	2	60		633		
20	City 9	City 1	Daily	60		225		
20	City 17	City 9	X2	75		633		
D20	City 15		Daily	20		16		DRAYAGE
21	City 2	City 19	Daily	25		1023		
27	City 2	City 20	Daily	60		2261		
29	City 9	City 2	1,2	120		780		
29	City 9	City 2	3,4,5,6	180		780		
29	City 9	City 2	7	120		780		
30	City 2	City 9	X6	90		780		
30	City 2	City 9	6	120		780		

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Below are Authorized for Computing Amtrak Line Haul Payments**

Train #	Origin	Destination	Freq.	Contracted Footage	Rate Per Foot Mile	Miles Per Trip	Dollars	Comments
41	City 1	City 7	Daily	120		90		
41	City 7	City 2	Daily	420		824		
H66D	City 7	City 21	Daily	45		90		
H172	City 7-AMC-	City 7	Daily	45		15		
H142	City 7-AMC-	City 7	Daily	45		15		
H17D	City 7	City 21	Daily	45		90		
H40A	City 7	City 21	Daily	48		90		
H40C	City 7	City 21	Daily	45		90		
H16D	City 7	City 21	Daily	45		90		
H41A	City 21	City 7	Daily	45		90		
H41B	City 21	City 7	Daily	45		90		
H89C	City 22	Drayage	Daily	48		90		Road Railer
40	City 2	City 7	1	300		824		
40	City 2	City 7	x1	360		824		
40	City 7	City 1	Daily	180		90		
H40B	City 7	City 21	Daily	45		90		
H40R	City 23	City 2	Daily	48		19		
H41R	City 2	City 23	Daily	48		19		
R89b	City 7	City 25	Daily	48		1144		
R89f	City 7	City 28	Daily	48		1423		
R89d	City 7	City 25	X1	48		1066		
R89a	City 7	City 24	Daily	48		982		
R89e	City 7	City 32	X1	48		1160		
H91A	City 24	City 25	Daily	22		84		
59	City 2	City 26	Daily	15		529		
66	City 9	City 12	daily	60		457		
66	City 1	City 12	daily	45		231		
67	City 12	City 9	daily	45		457		
79	City 33	City 9	daily	60		225		
79	City 1	City 15	Daily	45		615		
D79	City 27	Drayage	Daily	40		8		DRAYAGE
D79	City 15	Drayage	Daily	20		16		DRAYAGE
89	City 1	City 9	Daily	60		225		
89	City 9	City 28	Daily	120		1170		
90	City 28	City 9	Daily	15		1170		
90	City 9	City 1	Daily	15		225		
91	City 9	City 28	Daily	30		1199		
H91	City 24	Drayage	Daily	22		11		DRAYAGE
92	City 28	City 9	Daily	90		1199		
92	City 9	City 1	Daily	30		225		
97	City 1	City 28	Daily	25		1395		
H97	City 24	Drayage	Daily	22		11		DRAYAGE
98	City 28	City 1	Daily	25		1395		
H98	City 24	Drayage	Daily	22		11		DRAYAGE
D148	City 14	Drayage	Daily	40		15		DRAYAGE
H148	City 14	City 29	Daily	20		124		
148	City 9	City 14	Daily	60		362		
148	City 1	City 14	Daily	60		137		
178	City 9	City 12	Daily	60		457		
148	City 9	City 7	Daily	60		137		

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Train #	Origin	Destination	Freq.	Contracted Footage	Rate Per Foot Mile	Miles Per Trip	Dollars	Comments
178	City 1	City 12	Daily	60		231		
171	City 12	City 9	Daily	60		457		
172	City 9	City 1	Daily	120		225		
172	City 1	City 12	Daily	60		231		
300	City 30	City 2	Daily	60		232		
412	City 9	City 14	Daily	60		362		
D412	City 14	Drayage	Daily	40		15		DRAYAGE
448	City 2	City 12	Daily	15		1017		
449	City 12	City 31	Daily	30		489		
449	City 31	City 2	Daily	120		528		
341	City 2	City 34	Daily	60		86		
332	City 34	City 2	daily	60		86		
D59	City 26	City 35	Daily	45		21		
D28	City 10	MTE warehouse	Daily	53		16		
HMC1	City 36	City 7	x17	45		111		
HMC1	City 36	City 7	x127	45		111		
R40	City 2	City 7	Daily	48		824		
R41	City 7	City 2	Daily	48		824		
Total				9427				

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3	City 2	City 3	X57	240		2246		
3	City 2	City 3	5,7	300		2246		
3	City 2	City 4	567	180		2418		City 3
3	City 2	City 4	1234	135		2418		City 3
4	City 3	City 2	Daily	120		2246		
4	City 4	City 2	234	180		2418		City 3
4	City 4	City 2	167	90		2418		City 3
4	City 4	City 2	5	135		2418		City 3
5	City 2	City 5	Daily	120		1037		
5	City 5	City 6	Daily	60		571		
5	City 6	City 4	Daily	48		841		
6	City 4	City 6	Daily	48		841		
6	City 6	City 5	Daily	60		571		
6	City 5	City 2	Daily	60		1037		
6	City 4	City 5	45	48		1385		City 6
7	City 2	City 10	123	120		418		
7	City 10	City 11	X456	96		1791		
7	City 2	City 10	X123	180		418		
7	City 10	City 11	4,5,6	144		1791		
8	City 11	City 2	Daily	48		2209		
12	City 1	City 12	X17	180		232		
12	City 9	City 1	X17	240		225		
12	City 9	City 1	1	120		225		
12	City 9	City 1	7	180		225		
12	City 1	City 12	1	60		232		
12	City 1	City 12	7	120		232		
D000	City 13		Daily	45		19		DRAYAGE
D13	City 14		Daily	40		15		DRAYAGE
H13	City 12	City 14	X1	45		98		
13	City 14	City 1	1	420		137		
13	City 1	City 7	1	360		90		
13	City 7	City 9	1	180		135		
13	City 14	City 1	7	480		137		
13	City 1	City 7	7	420		90		
13	City 7	City 9	7	420		135		
13	City 14	City 1	X17	540		137		
13	City 1	City 7	X17	480		90		
13	City 7	City 9	X17	480		135		
D19	City 15		Daily	20		16		DRAYAGE
H19	City 1	City 16	X1	16		461		
19	City 17	City 18	Daily	15		522		
19	City 1	City 9	1	45		225		
19	City 1	City 9	X1	60		225		
19	City 9	City 17	1	60		633		
19	City 9	City 17	2,7	90		633		
19	City 9	City 17	3,4,5,6	120		633		
20	City 17	City 9	2	60		633		
20	City 9	City 1	Daily	60		225		

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20	City 17	City 9	X2	75		633		
D20	City 15		Daily	20		16		DRAYAGE
21	City 2	City 19	Daily	25		1023		
25/27	City 2	City 20	Daily	60		2261		
29	City 9	City 2	1,2	60		780		
29	City 9	City 2	3,4,5,6	180		780		
29	City 9	City 2	7	120		780		
30	City 2	City 9	X6	90		780		
30	City 2	City 9	6	120		780		
41	City 1	City 7	3,4,5,6	180		90		
41	City 1	City 7	1,2,7	120		90		
41	City 7	City 2	3,4,5,6	480		824		
41	City 7	City 2	1,2,7	420		824		
H66D	City 7	City 21	Daily	45		90		
H172	City 7-AMC-	City 7	Daily	45		15		
H142	City 7-AMC-	City 7	Daily	45		15		
H17D	City 7	City 21	Daily	45		90		
H40A	City 7	City 21	Daily	48		90		
H40C	City 7	City 21	Daily	45		90		
H16D	City 7	City 21	Daily	45		90		
H41A	City 21	City 7	Daily	45		90		
H41B	City 21	City 7	Daily	45		90		
H89C	City 22		Daily	48		90		Road Railer
40	City 2	City 7	1	240		824		
40	City 2	City 7	X16	300		824		
40	City 2	City 7	6	360		824		
40	City 7	City 1	Daily	180		90		
H40B	City 7	City 21	Daily	45		90		
H40R	City 23	City 2	Daily	48		19		
H41R	City 2	City 23	Daily	48		19		
89R	City 7-City 24-City 25		Daily	48		1144		
H91A	City 24	City 25	Daily	22		84		
59	City 2	City 26	Daily	15		529		
66	City 1	City 12	Daily	45		231		
66	City 9	City 1	1,7	60		225		
66	City 9	City 1	2,3,4	75		225		
66	City 9	City 1	5,6	90		225		
67	City 1	City 7	1	30		90		
67	City 12	City 1	Daily	30		231		
67	City 7	City 9	1,7	30		135		
67	City 1	City 7	6,7	60		90		
67	City 7	City 9	X17	90		135		
67	City 1	City 7	2,3,4,5	90		90		
79	City 1	City 15	Daily	45		615		
D79	City 27		Daily	40		8		DRAYAGE
D79	City 15		Daily	20		16		DRAYAGE
89	City 1	City 9	Daily	60		225		
89	City 9	City 28	Daily	120		1170		

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Train #	Origin	Destination	Freq.	Contracted Footage	Rate Per Foot Mile	Miles Per Trip	Dollars	Comments
90	City 28	City 9	Daily	15		1170		
90	City 9	City 1	Daily	15		225		
91	City 9	City 28	Daily	30		1199		
H91	City 24		Daily	22		11		DRAYAGE
92	City 28	City 9	Daily	90		1199		
92	City 9	City 1	Daily	30		225		
97	City 1	City 28	Daily	25		1395		
H97	City 24		Daily	22		11		DRAYAGE
98	City 28	City 1	Daily	25		1395		
H98	City 24		Daily	22		11		DRAYAGE
D148	City 14		Daily	40		15		DRAYAGE
H148	City 14	City 29	Daily	20		124		
148	City 9	City 14	Daily	60		362		
148	City 1	City 14	Daily	60		137		
178	City 9	City 12	Daily	60		457		
178	City 9	City 7	Daily	60		137		
178	City 1	City 12	Daily	60		231		
171	City 12	City 9	Daily	60		457		
172	City 9	City 1	Daily	120		225		
172	City 1	City 12	Daily	60		231		
300	City 30	City 2	Daily	60		232		
412	City 9	City 14	Daily	60		362		
D412	City 14		Daily	40		15		DRAYAGE
448	City 2	City 12	Daily	15		1017		
449	City 12	City 31	Daily	30		489		
449	City 31	City 2	Daily	120		528		
Total				13586				

SUPPLEMENTAL RESPONSE OF UNITED STATES POSTAL SERVICE TO INTERROGATORIES OF MAGAZINE PUBLISHERS ASSOCIATION

MPA/USPS-40. For each freight railroad providing mail-related transportation to the Postal Service in BY98, please provide the following:

- a. total costs accrued in USPS rail transportation accounts in BY98. (If these costs do not sum to \$199.55 million (= Railroad Transportation Subcomponent Subtotal less accounts 53142 and 53144, as shown on page 77 of USPS-LR-I-I), please explain.);
- b. documentation of any and all volume incentive rate, discount or credit terms in effect for transportation provided to the Postal Service in BY98;
- c. the number of mail-related van movements, total costs, base rates and lowest achieved volume incentive rates by O-D pair served in BY98.

RESPONSE

a.

Railroad	Expense
Santa Fe	\$25,368,309.05
Burlington Northern	35,301,321.30
CSX	20,668,829.37
Conrail	108,119,323.22
Florida East Coast	1,689,575.85
Iowa Interstate	818,775.82
Illinois Central	2,017,025.10
Norfolk Southern	2,960,777.56
Southern Pacific	861,341.79
Union Pacific	2,209,145.08
Total	\$200,014,424.14
Postal Fiscal Year	\$200,040,473.68
Variance	\$26,049.54

The difference between \$199.55 million and the \$200.040 million is the result of the former being a Government Fiscal Year expense (October 1, 1997 to September 30, 1998) while the latter (and the detail above it) are Postal Fiscal Year (September 13, 1997 through September 11, 1998) expenses. The expenses by carrier survey is for actual rail services provided (such as linehaul

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and terminal handling); the 0.01 percent variance (\$26,049.54) represents payments to third parties for miscellaneous damages, paid under the rail accounts

b. There are no such rates, discounts, or terms. There is not even language in postal contracts with the freight railroads that provides for the credit, volume discounts, incentive rates and the like. The Postal Service simply does not have the volume of business with the freight railroads required to obtain these terms.

c. An objection was filed on March 31, 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 horizontal line.

Susan M. Duchek

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May 2, 2000