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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

UNITED STATES OF AMERICA
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268

Postal Rate and Fee Changes

Docket No. R2000-1

PRESIDING OFFICER'S INFORMATION REQUEST NO. 11

(May 5, 2000)

The Postal Service is requested to provide the information described below to assist in developing a record for the consideration of its request for changes in rates and fees. In order to facilitate inclusion of the required material in the evidentiary record, the Postal Service is to have a witness attest to the accuracy of the answers and be prepared to explain to the extent necessary the basis for the answers at our hearings. The answers are to be provided within 10 days.

1. Please refer to the response to question 3 of Presiding Officer's Information Request No. 7. This response says, in part: "It can be deduced that any amount of volume regarded by the DMM as flats that are in excess of what CCS [Carrier Cost System] regards as flats . . . must be what CCS regards as letters. Therefore, the appropriate cost per piece for this volume is the CCS letter cost per piece." Please explain whether it can also be deduced that any DMM-defined parcel volume in excess of the CCS-regarded parcel volume is handled by carriers as flats. If so, does it follow that the appropriate cost per piece for this volume is the CCS flat cost per piece? If not, please explain.

2. Please refer to the response to question 4 of Presiding Officer's Information Request No. 7. The question refers to two categories found in Table 5 of USPS-T-28. The first is "Regular Nonletter Subtotal" and the second is "ECR Basic Nonletters." Part A of the response refers to USPS LR-I-92, and provides flat/parcel proportions for "Regular 3/5 Nonauto" and "Regular CR." The reference to USPS LR-I-92 would appear to be to the Total columns of the 'volume&lbs' worksheets of LR92aREG.xls and LR92bECR.xls. However, the proportions provided for "Regular CR" appear to come from LR92aREG.xls, which would make them apply to the "Regular Nonletter Subtotal" category and not to any ECR category. Also, the proportions provided for "Regular 3/5 Nonauto" do not appear to come from the Total column in LR92zREG.xls. In addition, the volumes in the Total column of LR92bECR.xls suggest that the flat/parcel proportions for *all* ECR, not just basic ECR, may be 60.82% flats and 0.14% parcels. Accordingly, please clarify the relationship of the figures provided in part a of the response to the categories in the original question, and provide detailed identity and source information for all flat/parcel proportions provided. For example, distinguish if possible between the three categories of ECR (basic, high density, and saturation) and explain the content of any category designated as "Nonauto."
3. In the attachment to the response to OCA/USPS-T33-13(f), the Postal Service provided FY 1998 and FY 1999 First-Class single-piece letter volumes by weight step.
 - a) Please provide the same data for the first and second quarters of FY 2000.
 - b) Please also provide the coefficients of variation for the volumes in each weight step for the FY 1998, FY 1999 and FY 2000 estimates.

4. Refer to USPS-T-26, attachment Z. Please explain why the Christmas Network Line Haul and Christmas Network Excise Tax costs are treated differently than the Christmas Air Taxi Line Haul and Christmas Air Taxi Excise Tax costs. In particular, please explain why the network costs are not distance related while the air taxi costs are.


Edward J. Gleiman
Presiding Officer