

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
TO INTERROGATORY OF DAVID B. POPKIN
(DBP/USPS-180)

The United States Postal Service hereby provides its response to the following interrogatory of David B. Popkin: DBP/USPS-180, filed on April 12, 2000.

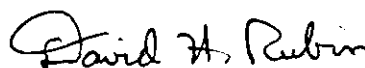
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



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May 9, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID B. POPKIN**

DBP/USPS-180 Please refer to your response to DBP/USPS-94. [a] Please confirm that your responses indicate that delivery of an average piece of mail to a post office box will cost the Postal Service 14.19 cents less than delivery to a city delivery customer and 10.92 cents less than delivery to a rural route customer. [b] If not, please explain and discuss. [c] Please explain how these savings in costs are passed along to the post office box users.

RESPONSE:

(a) Not confirmed.

(b) The price of the average mail piece takes into account average collection, processing, and delivery costs. The sender pays this price. Delivery costs include costs for carriers to sort their mail (in-office costs), and to deliver it (street costs) to city and rural carrier customers. While there are no city or rural carrier street costs for delivery to post office boxes, processing costs include clerk costs to sort mail to post office boxes for delivery. These clerk mail processing costs are relevant to determining any delivery cost differential between carrier and post office box delivery. However, because of the lack of post office box mail volume data, the Postal Service is unable to estimate the cost per piece of sorting to post office boxes.

(c) Any savings from delivery to post office boxes are passed to users of the mail system in terms of lower postage rates in general. Use of a post office box does not necessarily save the Postal Service carrier delivery costs, since post office box customers (except for Group E) can receive carrier delivery of mail also.

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.



David H. Rubin

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