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

UNITED STATES POSTAL SERVICE INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO UNITED PARCEL SERVICE WITNESS LUCIANI (USPS/ups-T1—1-3)

Pursuant to rules 25 and 26 of the Rules of Practice and procedure, the United States Postal Service directs the following interrogatories and requests for production of documents to United Parcel Service witness Luciani: USPS/UPS-T1—1-3.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Scott L. Reiter

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2999; Fax –5402 June 2, 2000

USPS/UPS-T5-1.

- a. Please confirm that the Parcel Post transportation model (USPS-T-26, Attachment M, page 3) does account for the fact that 7.11 percent of DBMC is dropped at SCFs.
- b. Please further confirm that the impact of this assumption (7.11 percent of volume dropped at SCF) is to lower DBMC costs.
- c. Please confirm that DDU transportation costs avoidance (USPS-T-26, Attachment N, page 5) is calculated as the cost savings compared to DBMC.
- d. Please further confirm that since the DDU transportation cost avoidance is calculated off of DBMC, and the DBMC costs have been reduced to account for 7.11 percent of DBMC being dropped at the DSCF, the DDU cost avoidance has already implicitly been adjusted for the fact that 7.11 percent of DBMC is dropped at the DSCF.

USPS/UPS-T5-2. Please confirm that the only basis for your conclusion (pages 12-13 of your testimony) that costs for exclusive parcel post routes should be product specific to parcel post is the title/description of the route ("exclusive parcel post"). If you do not confirm, please provide all data sources and references that are the bases for your proposal of assigning all the costs of such routes to parcel post.

USPS/UPS-T5-3. Do you agree that the cost of exclusive parcel post routes, like all other routes, should be borne by the classes and subclasses of mail delivered on those routes? If you do not confirm, please provide all data and references in postal costing supporting your position.

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.

Scott L. Reiter

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 June 2, 2000