

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 MOELLER TO INTERROGATORIES OF THE RECORDING
INDUSTRY ASSOCIATION OF AMERICA
(RIAA/USPS-T35—4-5)**

The United States Postal Service hereby provides the response of witness Moeller to the following interrogatories of the Recording Industry Association of America: RIAA/USPS-T35—4-5, filed on May 23, 2000.

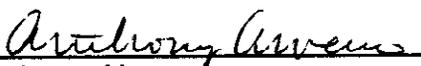
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


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June 6, 2000

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MOELLER TO INTERROGATORIES OF RECORDING INDUSTRY ASSOCIATION OF AMERICA

RIAA/USPS-T35-4. Please refer to your Further Response to Questions Posed During Hearing (filed May 17, 2000) in which you provide certain information concerning the revenue, pieces and weight data for "pieces subject to the surcharge."

(a) Please provide copies of any workpapers, studies or other documents showing how the information in the table constituting your response has been derived.

(b) With respect to the Regular (Standard A) subclass, please disaggregate the revenue, pieces and weight shown for such subclass in the following format, corresponding to the format set forth at Schedule G-2 (page 2 of 2) of Library Reference USPS-LR-I-259:

Basic Residual-Shaped Pieces (piece rated) _____

No destination entry _____

BMC destination entry _____

SCF destination entry _____

Basic Residual-Shaped Pieces (pound rated) _____

No destination entry _____

BMC destination entry _____

SCF destination entry _____

3/5-Digit Residual-Shaped Pieces (piece rated) _____

No destination entry _____

BMC destination entry _____

SCF destination entry _____

3/5-Digit Residual-Shaped Pieces (pound rated) _____

No destination entry _____

BMC destination entry _____

SCF destination entry _____

(c) If you are unable to disaggregate the data set forth with respect to the Regular subclass in the form requested by subpart (b) of this interrogatory, please provide a detailed explanation of why that is so. If you are able to disaggregate such data, please describe how such disaggregation was performed, identify all sources used to perform such calculations and provide copies of all workpapers, studies or other documents upon which you rely in performing such disaggregation.

RESPONSE:

(a-c). See page 1 of the attachment to this response. The source data used to derive it are provided on page 2 of the attachment to this response. The source of these data and the original response (Further Response to Questions Posed During Hearing, filed May 17, 2000) is the disaggregated RPW subclass estimates for the GFY 1999 period.

**Standard Mail (A) - Pieces Subject to the Residual Shape Surcharge (RSS)
GFY 1999
(Surcharge implemented January 10, 1999)**

	<u>Revenue</u>	<u>Rev/pc</u>	<u>Pieces</u>	<u>lbs/pc</u>	<u>Weight</u>	<u>oz/pc</u>
Regular Subclass Total RSS	331,909,800	0.6034	550,026,918	0.5853	321,908,436	9.3642
"Minimum per piece" pieces	14,758,110	0.3630	40,658,852	0.1906	7,751,076	3.0502
Basic Presort	7,707,721	0.3987	19,332,028	0.1844	3,564,108	2.9498
No Destination Entry	6,585,492	0.4010	16,424,457	0.1699	2,790,375	2.7183
DBMC	803,292	0.3872	2,074,718	0.2551	529,329	4.0821
DSCF	318,937	0.3829	832,853	0.2935	244,404	4.6953
3/5-digit Presort	7,050,389	0.3306	21,326,824	0.1963	4,186,968	3.1412
No Destination Entry	4,117,828	0.3387	12,159,037	0.1600	1,945,232	2.5597
DBMC	919,869	0.3233	2,845,636	0.2171	617,815	3.4738
DSCF	2,012,692	0.3184	6,322,151	0.2569	1,623,921	4.1098
Pound-rated Pieces	317,151,690	0.6226	509,368,066	0.6168	314,157,360	9.8681
Basic Presort	100,302,164	0.6449	155,533,528	0.5660	88,034,550	9.0563
No Destination Entry	87,012,685	0.6460	134,685,985	0.5566	74,964,774	8.9054
DBMC	11,475,163	0.6517	17,607,919	0.6484	11,417,201	10.3746
DSCF	1,814,316	0.5600	3,239,624	0.5101	1,652,575	8.1618
3/5-digit Presort	216,849,526	0.6129	353,834,538	0.6391	226,122,810	10.2250
No Destination Entry	142,901,384	0.6216	229,903,713	0.6215	142,894,072	9.9446
DBMC	53,892,000	0.6143	87,725,681	0.6954	61,006,456	11.1268
DSCF	20,056,142	0.5540	36,205,144	0.6138	22,222,282	9.8206

L#	RPW#	VIP#	VIPNAME	REV	PIECES	WEIGHT
100	3240	X3584	STDA-REG-NONE-NAUTO-BAS-NLETR-PARC-PCRT	37084257	133401615	1691406
100	3240	X3589	STDA-REG-NONE-NAUTO-BAS-NLETR-PARC-LBRT	49928428	1284370	73273368
100	3241	X3684	STDA-REG-DBMC-NAUTO-BAS-NLETR-PARC-PCRT	4649171	17605181	3601
100	3241	X3689	STDA-REG-DBMC-NAUTO-BAS-NLETR-PARC-LBRT	6825992	2738	11413600
100	3242	X3784	STDA-REG-DSCF-NAUTO-BAS-NLETR-PARC-PCRT	870208	3233227	18531
100	3242	X3789	STDA-REG-DSCF-NAUTO-BAS-NLETR-PARC-LBRT	944108	6397	1634044
100	3290	X3564	STDA-REG-NONE-NAUTO-3/5-NLETR-PARC-PCRT	46297633	228225611	642613
100	3290	X3569	STDA-REG-NONE-NAUTO-3/5-NLETR-PARC-LBRT	96603751	1678102	142251459
100	3291	X3664	STDA-REG-DBMC-NAUTO-3/5-NLETR-PARC-PCRT	17411427	87724583	2504
100	3291	X3669	STDA-REG-DBMC-NAUTO-3/5-NLETR-PARC-LBRT	36480573	1098	61003952
100	3292	X3764	STDA-REG-DSCF-NAUTO-3/5-NLETR-PARC-PCRT	7256961	36195938	42861
100	3292	X3769	STDA-REG-DSCF-NAUTO-3/5-NLETR-PARC-LBRT	12799181	9206	22179421
100	3630	X3064	STDA-REG-NONE-NAUTO-3/5-NLETR-PARC	4117828	12159037	1945232
100	3631	X3164	STDA-REG-DBMC-NAUTO-3/5-NLETR-PARC	919869	2845636	617815
100	3632	X3264	STDA-REG-DSCF-NAUTO-3/5-NLETR-PARC	2012692	6322151	1623921
100	3640	X3084	STDA-REG-NONE-NAUTO-BAS-NLETR-PARC	6585492	16424457	2790375
100	3641	X3184	STDA-REG-DBMC-NAUTO-BAS-NLETR-PARC	803292	2074718	529329
100	3642	X3284	STDA-REG-DSCF-NAUTO-BAS-NLETR-PARC	318937	832853	244404
				331,909,800	550,026,918	321,908,436

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MOELLER TO
INTERROGATORIES OF RECORDING INDUSTRY ASSOCIATION OF AMERICA

RIAA/USPS-T35-5. Please confirm that:

- (a) The revenue, pieces and pounds reflected in Library Reference 259 for non-letters for the period January 10, 1999 "and beyond" (LR-259, Schedule G-2, page 2 of 2) includes the revenue, pieces and pounds of non-letters subject to the residual-shaped surcharge set forth in your Further Response;
- (b) 27.9% of the total non-letters (Basic and 3/5) for the period January 10, 1999 "and beyond" constituted pieces subject to the residual-shaped surcharge as reflected in your Further Response;
- (c) 43.2% of the total revenues derived from non-letters (Basic and 3/5) was derived from pieces that were subject to the residual-shaped surcharge in the period January 10, 1999 "and beyond".
- (d) If you are unable to confirm any of subparts (a), (b) or (c) of this interrogatory, please state why that is so and provide what you consider to be the correct response, together with any workpapers, studies or supporting documents upon which you rely.

RESPONSE:

- (a) Confirmed.
- (b) Confirmed that 27.9 percent of total non-automation nonletters constituted pieces subject to the surcharge. Of total nonletters, the percentage was 5.5 percent.
- (c) Confirmed that 43.2 percent of total revenue from non-automation nonletters constituted revenue from pieces subject to the surcharge. Of total nonletters, the percentage was 12.6 percent.
- (d) Not applicable.

DECLARATION

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


JOSEPH D. MOELLER

Dated: June 6, 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.



Anthony Alverno

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