

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268

RECEIVED
JUN 9 3 26 PM '00

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATES AND FEE CHANGES

Docket No. R2000-1


RESPONSES OF WITNESS LAWRENCE G. BUC FOR
THE CONTINUITY SHIPPERS ASSOCIATION
THE DIRECT MARKETING ASSOCIATION
THE ASSOCIATION FOR POSTAL COMMERCE AND
THE PARCEL SHIPPERS ASSOCIATION
TO THE INTERROGATORIES OF
THE UNITED STATES POSTAL SERVICE
(USPS/CSA-T1-1)

The Continuity Shippers Association, the Direct Marketing Association, the Association for Postal Commerce and the Parcel Shippers Association hereby provide responses of witness Lawrence G. Buc to the following interrogatories of the United States Postal Service: USPS/CSA-T1-1, filed on May 26, 2000.

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

Dated: June 9, 2000

Respectfully Submitted,


Aaron Horowitz
200 Corporate Woods Parkway
Vernon Hills, IL 60061-3167
(847) 913-3360

Attorney for the Continuity
Shippers Association

USPS/CSA-T1-1. Please provide all calculations used for your estimates of BPRS mail processing and transportation costs.

RESPONSE: See spreadsheet attached.

BPRS Weighted Average Mail Processing Modeled Cost [1]	Proportional CRA Adjustment Factor [2]	BPRS Weighted Average Mail Processing Modeled Cost (w/ Proportional CRA Adjustment) [3] = [1]*[2]	Fixed CRA Adjustment for Special Standard [4]	Ratio of BPRS Modeled Mail Processing Cost to Special Standard Modeled Mail Processing Cost [5]
\$ 0.345	1.042	\$ 0.359	\$ 0.211	70%

[1] USPS-T-26, Attachment T at 1.

[2] USPS-T-26, Attachment P at 1.

[4] USPS-T-26, Attachment T at 1.

[5] Tr. 13/5204 (Eggleston).

[7] Tr. 13/5122 (Eggleston).

[8] USPS-T-26 at 35.

[9] CSA-T-1 at 5.

Inter-BMC BPRS Average Zone- Related Transportation Cost Differential [1]	Percentage of BPRS Parcels that are Inter-BMC Parcels [2]	Reduction in Unit BPRS Costs [3] = [1]*[2]	Unit Transportation Cost Difference Between Intra-BMC and Inter-BMC Parcels [4]	Eggleston Assumption of Percentage of BPRS Parcels that are Inter- BMC Parcels [5]
\$ 0.031	91.9%	\$ 0.028	\$ 0.276	95.2%

[1] CSA-T-1, Attachment A, Table 3.

[2] CSA-T-1 at 5.

[4] Tr. 13/5122 (Eggleston).

[5] USPS-T-26 at 35.

[8] USPS-T-26 at 40.

BPRS Fixed CRA Adjustment	Mail Processing Cost Difference Between Intra-BMC and Inter-BMC Parcels	Eggleston Assumption of Percentage of BPRS Parcels that are Inter-BMC Parcels	Percentage of BPRS Parcels that are Inter-BMC Parcels
[6] = [4]*[5]	[7]	[8]	[9]
\$ 0.148	\$ 0.087	95.2%	91.9%

Cost Savings Differential Between Eggleston and CSA Estimate of Inter-BMC Percent	Total Transportation Unit Cost Savings	USPS Transportation Unit Cost	CSA Transportation Unit Cost
[6] = ([4]*[5]) - ([4]*[2])	[7] = [3]+[6]	[8]	[9] = [8]-[7]
\$ 0.009	\$ 0.038	\$ 0.423	\$ 0.385

**Cost Savings Differential
Between Eggleston and
CSA Estimate of Inter-
BMC Percent**

[10] = ([7]*[8]) - ([7]*[9])
\$ 0.003

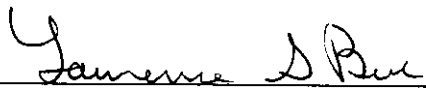
**BPRS Unit Mail
Processing Cost**

[11] = [3]+[6]-[10]
\$ 0.504

DECLARATION

I, Lawrence G. Buc, do hereby declare under penalty of perjury that the answers to the foregoing Docket No. R2000-1 interrogatories are true to the best of my knowledge, information and belief.

Dated: June 8, 2000



Lawrence G. Buc

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding having requested service of discovery documents in accordance with Section 12 of the rules of practice.

Dated: June 9, 2000

Aaron Horowitz AW