

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

NOTICE OF UNITED STATES POSTAL SERVICE OF FILING OF REVISED  
ATTACHMENT TO WITNESS MAYO'S RESPONSE TO  
INTERROGATORY OCA/USPS-T39-5 [ERRATUM]  
(June 15, 2000)

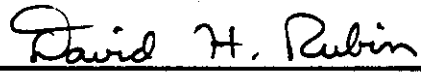
The United States Postal Service hereby provides notice of the filing of a revised attachment to witness Mayo's response to interrogatory OCA/USPS-T39-5. While the response and its two-page attachment are provided, the only change is to the first page of the attachment. In the Value up to \$700 row, the entry for Claims - Volume - Lost is changed from 7806 to 783. This change does not affect any of the other numbers in the attachment.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

  
\_\_\_\_\_  
David H. Rubin

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(202) 268-2986; Fax -6187  
June 15, 2000

**RESPONSE OF POSTAL SERVICE WITNESS MAYO TO  
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE  
(OCA/USPS-T39-3-16)**

**OCA/USPS-T39-5.** In prior dockets, a workpaper detailing indemnity costs was filed and used to aid in the setting of fees for insurance.

- a. Did you use such a document? If not, why not?
- b. Please provide an indemnity analysis.

**RESPONSE:**

- a. Yes.
- b. Please see the attached indemnity analysis.

**FY 1998 Insurance Indemnity Costs**

Value Up To	Transactions <sup>1</sup>	Claims <sup>2</sup>				Average Indemnity Per Transaction		
	Number	Volume		Dollar Amount		Lost	Damaged	Total
		Lost	Damaged	Lost	Damaged			
50	17,347,194	16,367	13,968	\$ 650,376	\$ 481,198	\$ 0.04	\$ 0.03	\$ 0.07
100	12,121,220	8,621	27,132	\$ 609,305	\$ 1,555,585	\$ 0.05	\$ 0.13	\$ 0.18
200	5,866,949	9,826	13,089	\$ 1,275,544	\$ 1,802,040	\$ 0.22	\$ 0.31	\$ 0.52
300	1,974,465	4,325	5,230	\$ 996,373	\$ 1,257,726	\$ 0.50	\$ 0.64	\$ 1.14
400	860,783	2,202	2,594	\$ 724,853	\$ 880,782	\$ 0.84	\$ 1.02	\$ 1.87
500	820,759	1,237	1,556	\$ 538,379	\$ 696,303	\$ 0.66	\$ 0.85	\$ 1.50
600 3/	341,304	1,039	1,053	\$ 546,875	\$ 565,204	\$ 1.60	\$ 1.66	\$ 3.26
700 3/	121,989	783	576	\$ 487,422	\$ 363,836	\$ 4.00	\$ 2.98	\$ 6.98
800 3/	110,886	204	264	\$ 150,864	\$ 197,101	\$ 1.36	\$ 1.78	\$ 3.14
900 3/	37,539	142	172	\$ 118,221	\$ 143,948	\$ 3.15	\$ 3.83	\$ 6.98
1000 3/	145,117	108	185	\$ 102,799	\$ 177,957	\$ 0.71	\$ 1.23	\$ 1.93
1100	9,824	223	248	\$ 227,029	\$ 254,635	\$ 23.11	\$ 25.92	\$ 49.03
1200	24,704	44	55	\$ 50,327	\$ 62,927	\$ 2.04	\$ 2.55	\$ 4.58
1300	10,070	48	56	\$ 58,984	\$ 69,392	\$ 5.86	\$ 6.89	\$ 12.75
1400 3/	17,457	42	44	\$ 55,930	\$ 59,521	\$ 3.20	\$ 3.41	\$ 6.61
1500	28,663	33	43	\$ 47,704	\$ 62,596	\$ 1.66	\$ 2.18	\$ 3.85
1600	2,619	74	85	\$ 112,893	\$ 130,295	\$ 43.11	\$ 49.76	\$ 92.87
1700	2,582	28	23	\$ 45,661	\$ 37,988	\$ 17.68	\$ 14.71	\$ 32.40
1800	3,431	17	21	\$ 29,433	\$ 36,714	\$ 8.58	\$ 10.70	\$ 19.28
1900	1,998	20	19	\$ 36,859	\$ 34,554	\$ 18.45	\$ 17.30	\$ 35.74
2000	27,301	23	21	\$ 45,168	\$ 41,456	\$ 1.65	\$ 1.52	\$ 3.17
2100	796	47	41	\$ 94,572	\$ 82,988	\$ 118.82	\$ 104.27	\$ 223.08
2200	1,521	11	8	\$ 23,729	\$ 17,197	\$ 15.60	\$ 11.31	\$ 26.91
2300	2,700	16	8	\$ 35,775	\$ 17,975	\$ 13.25	\$ 6.66	\$ 19.91
2400	431	10	6	\$ 23,509	\$ 14,103	\$ 54.59	\$ 32.75	\$ 87.33
2500	9,463	8	6	\$ 19,616	\$ 14,665	\$ 2.07	\$ 1.55	\$ 3.62
2600	0	22	6	\$ 55,504	\$ 15,108	N/A	N/A	N/A
2700	425	7	8	\$ 18,436	\$ 21,086	\$ 43.41	\$ 49.65	\$ 93.05
2800	2,839	9	4	\$ 24,647	\$ 11,048	\$ 8.68	\$ 3.89	\$ 12.57
2900	0	7	4	\$ 19,862	\$ 11,405	N/A	N/A	N/A
3000	5,387	5	3	\$ 14,835	\$ 8,816	\$ 2.75	\$ 1.64	\$ 4.39
3100	293	14	12	\$ 42,140	\$ 36,179	\$ 144.03	\$ 123.66	\$ 267.69
3200	473	1	2	\$ 3,136	\$ 6,245	\$ 6.64	\$ 13.22	\$ 19.85
3300	0	5	0	\$ 16,118	\$ -	N/A	N/A	N/A
3400	0	4	1	\$ 13,320	\$ 3,314	N/A	N/A	N/A
3500	975	4	2	\$ 13,762	\$ 6,918	\$ 14.11	\$ 7.09	\$ 21.20
3600	0	4	4	\$ 14,045	\$ 14,080	N/A	N/A	N/A

Value Up To	Transactions <sup>1</sup>	Claims <sup>2</sup>				Average Indemnity Per Transaction		
	Number	Volume		Dollar Amount		Lost	Damaged	Total
		Lost	Damaged	Lost	Damaged			
3700	0	1	1	\$ 3,682	\$ 3,660	N/A	N/A	N/A
3800	26	0	1	\$ -	\$ 3,761	0.00	\$ 144.88	\$ 144.88
3900	0	5	1	\$ 19,118	\$ 3,807	N/A	N/A	N/A
4000	2,275	2	2	\$ 7,888	\$ 7,923	\$ 3.47	\$ 3.48	\$ 6.95
4100	543	9	2	\$ 36,096	\$ 8,016	\$ 66.52	\$ 14.77	\$ 81.29
4200	328	1	0	\$ 4,162	\$ -	\$ 12.70	0.00	\$ 12.70
4300	339	0	0	\$ -	\$ -	0.00	0.00	0.00
4400	0	1	0	\$ 4,386	\$ -	N/A	N/A	N/A
4500	545	1	1	\$ 4,470	\$ 4,403	\$ 8.21	\$ 8.09	\$ 16.29
4600	0	2	0	\$ 9,029	\$ -	N/A	N/A	N/A
4700	380	0	0	\$ -	\$ -	0.00	0.00	0.00
4800	0	1	0	\$ 4,753	\$ -	N/A	N/A	N/A
4900	262	1	0	\$ 4,823	\$ -	\$ 18.42	0.00	\$ 18.42
5000	4,384	16	6	\$ 80,388	\$ 29,905	\$ 18.34	\$ 6.82	\$ 25.16
<b>Total</b>	<b>39,911,233</b>	<b>45,620</b>	<b>66,563</b>	<b>\$ 7,522,800</b>	<b>\$ 9,254,360</b>	<b>\$ 0.19</b>	<b>\$ 0.23</b>	<b>\$ 0.42</b>

Notes:

- 1 Source for transactions data is FY1998 Billing Determinants.
- 2 Source for Claims data: St. Louis Accounting Service Center. Dollar amounts truncated to one dollar.
- 3 Includes Express Mail claims in excess of \$500.

**DECLARATION**

I, Susan W. Mayo, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Susan W Mayo

Dated: June 15, 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.

David H. Rubin  
David H. Rubin

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Washington, D.C. 20260-1137  
June 15, 2000