

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
CONTINUITY SHIPPERS ASSOCIATION ET AL. WITNESS BUC
(USPS/CSA-T1-39-41)

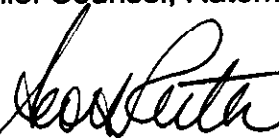
Pursuant to rules 25 and 26 of the Rules of Practice and procedure, the United States Postal Service directs the following interrogatories and requests for production of documents to Continuity Shippers Association et al. witness Buc: USPS/CSA-T1-39-41.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Scott L. Reiter

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June 16, 2000

USPS/CSA-T1-39. On line 29, page 4 of your testimony, you state

Since costs in both types of "fixed" pools appear to be affected by cube and weight, it is appropriate to use a fixed CRA adjustment factor that is 70 percent of the Special Standard fixed CRA adjustment factor.

- (a) Please explain what you were referring to as "both types."**
- (b) For each of the fixed cost pools, please explain in detail how these cost pools will vary with weight and cube. Please quantify the relationships (how much will costs vary due to an "x" percent change in cube) and provide all evidence you have to support each quantification.**

USPS/CSA-T1-40.

- (a) Please confirm that BPRS enters the mailstream as single-piece parcels.**
- (b) Please refer to USPS-T-26, Attachment T, pages 6 and 7. Please confirm that the costs at the origin AO are not modeled. If confirmed, please confirm that, all else equal, the greater the costs at the origin AO, the greater the fixed CRA adjustment factor. If not confirmed, please explain how costs at origin AOs are included the estimated costs and if costs at the origin AO have any impact on the fixed CRA adjustment factor.**
- (d) Please refer to USPS-T-26, Attachment P, page 6, lines 1-3. Please confirm that 18.6 percent (17.8 percent + 0.8 percent) of Special Standard is entered in bulk.**
- (e) Please refer to DMM § D602.2. Please confirm that bulk mail must be entered at business mail entry units (BMEU).**
- (f) Please confirm that some BMEUs are located in SCFs and mailer's plants. If confirmed, please confirm that some bulk mail will avoid the destination AO. If not confirmed, please provide all evidence that all bulk mail will travel through the origin AO.**
- (g) Please confirm that since 18.6 percent of Special Standard is entered in bulk, and 0.0 percent of BPRS is entered in bulk, that all else equal, BPRS would incur more costs at the origin AO.**

USPS/CSA-T1-41. Please refer to your response to USPS/CSA-T1-1. Please confirm that in your estimate of BPRS unit transportation costs, you rely on witness Eggleston's estimate of the transportation cost difference between inter-BMC and intra-BMC BPRS parcels (reference [4] in your response).

- (a) Please confirm that the estimate by witness Eggleston relies on witness Eggleston's assumption about the percentage of BPRS parcels in each zone.**
- (b) Please confirm that you propose an alternative zone distribution, which leads to a lower inter-BMC BPRS transportation unit cost.**
- (c) Please confirm that (b) would lead to a reduction in the cost difference between an inter-BMC BPRS parcel and an intra-BMC parcel.**

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.

A handwritten signature in cursive script, appearing to read "Scott L. Reiter", is written above a solid horizontal line.

Scott L. Reiter

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