

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

RECEIVED
JUN 19 4 45 PM '00

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 NEEDS
(USPS/UPS-T3-14 -17)

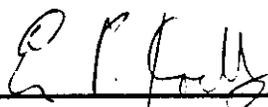
Pursuant to rules 25 and 26 of the Rules of Practice and procedure, the United States Postal Service directs the following interrogatories and requests for production of documents to United Parcel Service witness Needs: USPS/UPS-T3-14 - 17.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Eric P. Koetting

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2992 Fax -5402
June 19, 2000

USPS/UPS-T3-14. Please refer to page 21, lines 6-9 of your testimony where you state:

"To determine the fraction of all segments to include in the calculation, I determine the average number of segments per trip. The inverse of this average determines the proportion of segments to include in determining the mail mix responsible for the total amount of capacity purchased."

- a) Did you consider any other criteria for determining the mail mix responsible for the total amount of capacity purchased?
- b) If the answer to part a) is yes,
 - i) Please describe the other criteria you considered.
 - ii) Please explain why you rejected these other analyses.
 - iii) Please provide all workpapers, programs, and documentation supported the analyses that you rejected in favor of the analysis you ultimately relied on in your testimony.

USPS/UPS-T3-15. Please refer to Table 4 on page 23 of your testimony.

- a) Please confirm that the cost figures listed within this table include *all* highway costs, and thus include highway plantload, terminal/van damage, Alaskan highway, area bus and empty equipment – in addition to those costs that accrue to the four major highway contract types (intra-BMC, etc.).
- b) Please confirm that the cost figures listed under the "USPS" cost column correspond to costs that are reflected in the Cost Segment 14 B Workpapers and, as such, do *not* reflect the updated distribution keys provided by Witness Xie in her testimony (Tables 1-4, pp. 16-19).

USPS/UPS-T3-16. Please refer to your SAS program ZEXP98.Step3.

- a. Please confirm that the calculated average amount of empty space for a contract type (found in the SAS data set EMPTYAVG) includes tests for which no mail was unloaded (i.e., UNLOADED=0).
- b. Please confirm that in determining a representative mix of mail you did not use zero volume tests.

USPS/UPS-T3-17. On page 21 of your testimony, you "assume that each trip has *one segment* (emphasis added) that determines the total capacity provided on that trip, and that this segment is the segment with the highest capacity utilization." Is it possible that *more than one* segment on a particular trip jointly determined the total capacity provided on that trip? Please explain.

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 black ink, appearing to read 'E P Koetting', written over a horizontal line.

Eric P. Koetting

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2992 Fax -5402
June 19, 2000