

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 FOLLOW-UP INTERROGATORY
AND REQUEST FOR PRODUCTION OF DOCUMENTS
TO KEYSpan ENERGY WITNESS BENTLEY
(USPS/KE-T1-27)

Pursuant to rules 25 and 26 of the Rules of Practice and Procedure, the United States Postal Service directs the following follow-up interrogatory and request for production of documents to KeySpan witness Bentley: USPS/KE-T1-27.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

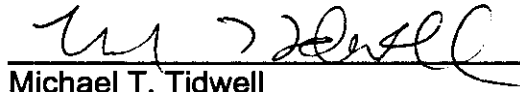
Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Michael T. Tidwell

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.



Michael T. Tidwell

475 L'Enfant Plaza West, S.W.
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(202) 268-2998 Fax -5402
June 30, 2000

USPS/KE-T1-27.

Please refer to your response to USPS/KE-T1-1. This response appears to confuse two separate things: (1) the volumes of PRM and QBRM used for estimating test year revenues in Docket No. R97-1, and (2) the BRM coverage factors which formed the basis for calculating the QBRM unit cost in that same docket.

- (a) Please confirm that PRC LR-10, Chapter IV, page 4 of 4 provides the cost calculation on which the 5-cent QBRM fee recommended by the Commission in Docket No. R97-1 was based. If you cannot confirm, please indicate where this cost calculation was performed.
- (b) Please confirm that the PRC cost calculation shown on page 4 assumes that 14.2 percent of QBRM pieces were processed using BRMAS software, per witness Schenk's 1996 BRM Practices Survey, USPS-LR-H-179 (also see the Commission's Docket No. R97-1 Decision at paragraph 5135). If you cannot confirm, please explain.
- (c) Please confirm that this 14.2 percent (from part b above) does not assume any volume migrates to PRM, but instead simply represents the percentage of QBRM pieces processed using BRMAS software.
- (d) Please confirm that the volume of QBRM, either with or without migration to PRM, is not used in the calculation of the QBRM unit cost estimate that formed the basis for the 5-cent QBRM fee recommended by the Commission. If you cannot confirm, please provide the specific line/column location in PRC LR-10, Chapter IV, page 4 of 4 that shows the use of QBRM volumes in the calculation of QBRM unit attributable cost of 4.5 cents.
- (e) Given your responses to (a)-(d), please explain how "the underlying 4.5-cent cost upon which the 5-cent fee was based excluded the low-cost 287 million pieces that the Commission assumed would shift to the PRM category" (KE-T-1 at page 5, footnote 3).