

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

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POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

POSTAL RATE AND FEE CHANGES
OFFICE OF THE SECRETARY

RESPONSE OF UNITED STATES POSTAL SERVICE
TO COMMISSIONER GOLDWAY'S REQUEST AT HEARINGS
FOR REVIEW OF STATEMENTS OF OCA WITNESS BURNS

At hearings on July 6, Commissioner Goldway and OCA witness Burns had an exchange regarding the Postal Service's handling of the costs of disasters and accidents. Tr. 22/9789-91 Commissioner Goldway requested that the Postal Service review the exchange for accuracy. Tr. 22/9891. The Chairman asked the Postal Service to do so by today. Tr. 22/9791-92.

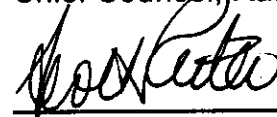
The exchange at Tr. 22/9789-91 is substantially accurate. The Postal Service budgets line item amounts for items such as vehicle and building repairs and alterations, as well as tort claims. There is, however, no provision in the budget or rate case projections for natural disasters such as a Hurricane Andrew, a regional flood, or a major West Coast earthquake.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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July 14, 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.



Scott L. Reiter

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July 14, 2000