

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

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS PATELUNAS TO
QUESTION RAISED AT TECHNICAL CONFERENCE ON JULY 26, 2000

The United States Postal Service hereby provides the response of witness Patelunas to a question raised at the technical conference on July 26, 2000.

The question is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



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August 14, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS PATELUNAS TO
QUESTIONS RAISED AT JULY 26, 2000 TECHNICAL CONFERENCE**

QUESTION: The Postal Service was asked to provide a spreadsheet, similar to that provided by witness Kashani in response to OCA/USPS-T14-5, showing the impact of using correct Before Rates Periodicals volumes in FY 2000 and FY 2001 in the July 7, 2000 update in response to Order No. 1294.

RESPONSE:

Please see the attached spreadsheet. An electronic version is provided in USPS-LR-I-459.

	TY 2001 BR With Correct FY 1999 RPW Volume			TY 2001 BR With Preliminary FY 1999 RPW Volume			Change from TY 2001 with Correct FY 1999 RPW Volume		
	Volume Variable Cost 1/	Volume 3/	Unit Cost	Volume Variable Cost 2/	Volume 4/	Unit Cost	Volume Variable Cost	Volume	Unit Cost
Periodicals									
In-County	84,845	872,194	0.0973	84,842	872,194	0.0973	(3)	-	(0.0000)
Regular	1,906,824	7,410,104	0.2573	1,941,623	7,545,945	0.2573	34,799	135,841	(0.0000)
Nonprofit	381,017	2,095,809	0.1818	355,125	1,954,453	0.1817	(25,892)	(141,356)	(0.0001)
Classroom	14,236	56,415	0.2523	14,169	56,153	0.2523	(67)	(262)	(0.0000)
Total Reg + Nonprft	2,287,841	9,505,913	0.2407	2,296,748	9,500,398	0.2418	8,907	(5,515)	(0.0001)
	FY 2000 With Correct FY 1999 RPW Volume			FY 2000 With Preliminary FY 1999 RPW Volume			Change from FY 2000 with Correct FY 1999 RPW Volume		
	Volume Variable Cost	Volume	Unit Cost	Volume Variable Cost	Volume	Unit Cost	Volume Variable Cost	Volume	Unit Cost
Periodicals									
In-County	86,609	892,821	0.0970	86,607	892,821	0.0970	(2)	-	(0.0000)
Regular	1,877,647	7,327,818	0.2562	1,909,880	7,457,452	0.2561	32,233	129,634	(0.0001)
Nonprofit	385,564	2,118,588	0.1820	362,549	1,988,821	0.1823	(23,015)	(129,767)	0.0003
Classroom	14,761	58,452	0.2525	14,694	58,182	0.2526	(67)	(270)	0.0000
Total Reg + Nonprft	2,263,211	9,446,406	0.2396	2,272,429	9,446,273	0.2406	9,218	(133)	0.0002

1/ Order No. 1294 Update rollforward using correct Periodicals volumes

2/ Order No. 1294 Update rollforward as filed 7/7/00

3/ Correct Periodicals volumes from Attachment I to witness Kashani response to OCA/USPS-T14-5

4/ Periodicals volumes used Order No. 1294 Update rollforward as filed 7/7/00

DECLARATION


I, Richard Patelunas, declare under penalty of perjury that the foregoing answers to interrogatories are true and correct to the best of my knowledge, information, and belief.

A handwritten signature in black ink, appearing to read "Richard Patelunas", is written over a horizontal line.

Dated: 8/14/00

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.



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