

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

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS
ABDIRAHMAN TO AN INTERROGATORY OF THE OFFICE OF CONSUMER
ADVOCATE, REDIRECTED FROM WITNESS MAYO
(OCA/USPS-T36-38 (a), (b), and (e))

The United States Postal Service hereby provides the response of witness Abdirahman to Interrogatory T36-38 (a), (b), and (e) of the Office of Consumer Advocate, filed on October 12, 2001. The interrogatory is redirected from witness Mayo.

The interrogatory 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

Nan K. McKenzie

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October 26, 2001

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ABDIRAHMAN TO
AN INTERROGATORY OF THE OFFICE OF CONSUMER ADVOCATE,
REDIRECTED FROM WITNESS MAYO

OCA/USPS-T36-38. Your testimony at page 44 states: “Insurance provides a very high value of service to customers, as these customers can receive reimbursement for lost, stolen, or damaged articles.”

(a) Please confirm that the average indemnity for unnumbered insurance is \$0.10. If you are unable to confirm, please explain.

(b) Please confirm that the \$0.94 test year cost of unnumbered insurance includes the \$0.10 (rounded) average unnumbered indemnity cost.

(e) Please confirm that the average indemnity for numbered insurance valued at \$50.01 to \$100.00 is \$0.19. If you are unable to confirm, please explain.

Response:

(a) Confirmed.

(b) Confirmed. I provided witness Mayo (USPS-T-36) the variable unit cost of \$0.91 for unnumbered insurance pieces, which excludes contingency. This figure includes an average indemnity cost of \$0.10. See LR-J-69, D-3, page 3.

(e) Confirmed.

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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