

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, 2001 )

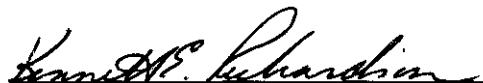
Docket No. R2001-1

OFFICE OF THE CONSUMER ADVOCATE  
INTERROGATORIES TO WILLIAM P. TAYMAN, JR. (OCA/USPS-T6-33-37)  
October 31, 2001

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Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-1-21 dated September 28, 2001, are hereby incorporated by reference.

Respectfully submitted,



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OCA/USPS-T6-33. Please turn to your testimony at page 3, lines 14-20. You state that "...the increasingly competitive nature of the markets in which the Postal Service functions make the congressionally-mandated goal of break-even extremely difficult to achieve."

- (a) Please cite which markets you view as increasingly competitive.
- (b) Please state the degree of competition in each of the markets.
- (c) Is it your testimony that firms have a difficult time breaking even in competitive markets?
- (d) In approximately what year did the markets you cite in your response to part (a), above, become increasingly competitive?

OCA/USPS-T6-34. Please refer to your testimony at page 23, lines 15-19. You cite two economic scenarios, USSIM/Trendlong 0501, and CISSIM/Control 0601. Is it correct that these are the two economic forecasts which underlie the Postal Service's assumptions about the future state of the economy and on which projections of revenues and costs are based?

OCA/USPS-T6-35. Please refer to your testimony, Appendix A, Exhibit USPS 6T. The underlying DRI-WEFA forecasts--USSIM/Control 0601 and CISSIM/Trendlong 0501--appear to be different from those referenced in your testimony at page 23, lines 15-19, USSIM/Trendlong 0501 and CISSIM/Control 0601.

- (a) Is this a typographical error?
- (b) If your answer is "no" please explain whether all internal projections that ultimately culminate in revenue, cost, and contingency estimates are internally consistent.

OCA/USPS-T6-36. Please refer to your testimony at page 24, lines 16-17, wherein you discuss 18 cost segments for the Base Year through the Test Year. If different from those in Table 16 at page 23, please delineate for each case the underlying DRI-WEFA forecast elements that drive the information in the tables accompanying the cost segments.

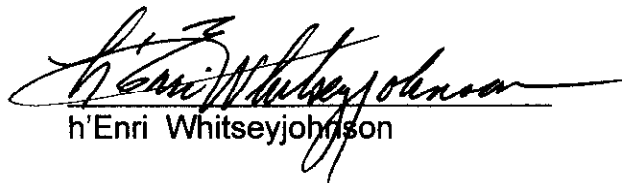
OCA/USPS-T6-37. Please refer to your testimony at page 53, lines 19 through 30, wherein you cite three scenarios--a Baseline Economic Forecast, a Later Recession forecast, and a Pessimistic Forecast.

- (a) Please explain the source of each forecast, including, for example, the availability for review and inspection, the publication, and publication date.
- (b) Is it correct that the Postal Service revenue and cost projections in this case are based on the Baseline Forecast? Please confirm, and if you are unable to confirm, please explain.
- (c) Please state what the revenue and cost projections would be under a Late Recession forecast.
- (d) Please state what the revenue and cost projections would be under a Pessimistic forecast.
- (e) Are there other available forecasts which are more optimistic and which were available to you at the time of the filing of testimony?
- (f) If your answer to "e" is "yes", please state what the revenue and cost projections would be.
- (g) Are there other available forecasts which are more pessimistic and which were available to you at the time of the filing of the testimony?

- (h) If your answer to "g" is "yes", please state what the revenue and cost projections would be.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with Rule 12 of the rules of practice.



h'Enri Whitseyjohnson

Washington, D.C. 20268-0001  
October 31, 2001