

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

**RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS MOELLER TO INTERROGATORY OF ASSOCIATION OF  
ALTERNATE POSTAL SYSTEMS  
(AAPS/USPS-T28—6)**

The United States Postal Service hereby provides the response of witness Moeller to the following interrogatory of Association of Alternate Postal Systems: AAPS/USPS-T28—6, filed on October 17, 2001.

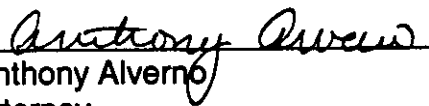
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

  
Anthony Alverno  
Attorney

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November 1, 2001

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INTERROGATORIES OF THE ASSOCIATION OF ALTERNATE POSTAL SYSTEMS

**AAPS/USPS-T28-6:**

At page 37, line 16, you refer to the "above inflation increase" for the ECR subclass. (a) Please compare the proposed rate change with the inflation rate for an eight-ounce piece of ECR Saturation mail entered at the SCF and for an eight ounce piece entered at the DDU. (b) Please provide the same comparison for the rates for such pieces proposed in the two most recent rate cases and for the rates recommended in the two most recent rate cases.

**RESPONSE:**

- (a) The percentage of ECR that would be subject to such a decrease is very small, as discussed in witness Hope's testimony (USPS-T-31 at 19). The overall average per piece increase proposed in this docket is 6.2 percent for the ECR subclass. For an 8-ounce saturation piece, the difference between the proposed rate and the rates that went into effect in January 2001 is -1.3 percent for DSCF entry and -2.5 percent for DDU entry. (I am assuming that the question does not refer to a piece subject to the residual shape surcharge.) It is my understanding that the expected inflation rate for the January 2001-October 2002 period is 4.9 percent. (USPS-T-28 at 8).
- (b) In Docket No. R2000-1, the proposed rate change for an 8-ounce saturation piece was -6.5 percent for DSCF entry and -6.8 percent for DDU entry. The PRC recommended a 2.6 percent decrease for DSCF entry and a 2.8 percent decrease for DDU entry. The inflation rate over that time period - *i.e.*, from January 1999 to January 2001 - was estimated at 4.8 percent (see response to DMA/USPS-T9-16, Docket No. R2000-1).

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In Docket No. R97-1, the proposed rate change for an 8-ounce saturation piece was -12.5 percent for DSCF entry and -12.3 percent for DDU entry. The PRC recommended -1.6 percent for DSCF entry and -1.6 percent for DDU entry.

The inflation rate over the time period since the previous change was 4.7 percent.

## DECLARATION

I, Joseph D. Moeller, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

  
\_\_\_\_\_  
JOSEPH D. MOELLER

Dated: 11-1-81

**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.

  
\_\_\_\_\_  
Anthony Alverno

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