

**BEFORE THE
POSTAL RATE COMMISSION**

POSTAL RATE AND FEE CHANGES, 2001

DOCKET NO. R2001-1

**INTERROGATORIES OF UNITED PARCEL SERVICE TO
UNITED STATES POSTAL SERVICE WITNESS VAN-TY-SMITH
(UPS/USPS-T13-1 through 2)
(November 8, 2001)**

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby serves the following interrogatories directed to United States Postal Service witness Van-Ty-Smith: UPS/USPS-T13-1 through 2.

Respectfully submitted,

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UPS/USPS-T13-1. Refer to pages 3-4 of your testimony, where you discuss the updates and variations to the Docket No. R2000-1 procedures with respect to Special Delivery Messenger costs.

- (a) Why did the Postal Service decide to convert the “Special Delivery Messenger” craft, Cost Segment 9, to “Clerk Messenger,” Cost Segment 3? Was this an operational change or only a change in the accounting treatment of this function?
- (b) Does the new treatment change the effective volume variability of accrued costs? If so, explain in detail the reason, methods, and effect of the change.
- (c) What was the effective volume variability of these costs for the most recent period before they were converted to Cost Segment 3?
- (d) Does the new treatment change the distribution of volume variable costs to classes and subclasses of mail? If so, explain in detail the reason, methods, and effect of the change.

UPS/USPS-T13-2. Refer to library reference USPS-LR-J-1, page 3-22, § 3.4.4, which discusses distribution of expedited delivery costs.

- (a) Has the Postal Service considered updating the study or studies presented in Docket No. R97-1 which established the basis for distributing these volume variable costs to classes and subclasses of mail? If not, why not?

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- (b) Provide the actual data underlying the special study or studies presented in Docket No. R97-1 referenced in USPS-LR-J-1, page 3-22, § 3.4.4. Provide a specific reference to the “special study,” the date the study was completed, and the time frame for the data upon which the study was based.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document by first class mail, postage prepaid, in accordance with Section 12 of the Commission's Rules of Practice.

Phillip E. Wilson, Jr.
Attorney for United Parcel Service

Dated: November 8, 2001
Philadelphia, PA