

BEFORE THE
POSTAL RATE COMMISSION

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

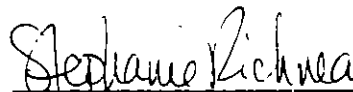
DOCKET NO. R97-1

**SECOND SET OF INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS FROM UNITED PARCEL SERVICE
TO UNITED STATES POSTAL SERVICE WITNESS CRUM
(UPS/USPS-T28-12 through 16)**

(August 4, 1997)

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby serves the following interrogatories and requests for production of documents directed to United States Postal Service witness Crum (UPS/USPS-T28-12 through 16).

Respectfully submitted,



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Of Counsel.

**INTERROGATORIES OF UNITED PARCEL SERVICE
TO UNITED STATES POSTAL SERVICE WITNESS CRUM**

UPS/USPS-T28-12. Please refer to your Exhibits D and F and explain in detail the processes (Unloading, Dumping, etc.) for which you calculate the costs and how these processes relate to the processing of parcels in a BMC.

UPS/USPS-T28-13. Please explain why Basic Function "Incoming" costs are excluded from the FY 1996 BMC Processing costs (\$23,977,000) you use in your Exhibit C.

UPS/USPS-T28-14. Refer to Exhibit G, Part 1.

(a) Confirm that you include the costs of crossdocking and loading pallets at the SCF in your calculation of After-BMC Downstream Costs of DSCF Prepared Parcel Post.

(b) Confirm that you do not include the costs of unloading pallets at the SCF in Part I of your calculation of After-BMC Downstream Costs of DSCF Prepared Parcel Post.

(c) Will the pallets be unloaded at the SCF? If so, why are those costs not included?

UPS/USPS-T28-15. Please refer to Exhibit A of your direct testimony.

(a) Please confirm that your calculation of Window and Acceptance Costs avoided by DBMC Parcel Post includes costs associated with Basic Function "Incoming" activities. If not confirmed, please explain.

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(b) Please confirm that your calculation of Non-BMC Mail Processing Costs avoided by DBMC Parcel Post (Exhibit C) excludes costs associated with Basic Function "Incoming" activities. If not confirmed, please explain. If confirmed, please explain why this exclusion is appropriate when calculating Non-BMC Mail Processing Costs avoided by DBMC Parcel Post, but is not appropriate when making the same calculation for Window Service Costs avoided by DBMC Parcel Post.

(c) Please confirm that your calculation of Window Service and Platform Costs in Exhibit A also includes costs associated with Basic Function "Other" activities. If not confirmed, please explain.

(d) Please confirm that Window Service Costs do not include any costs associated with Basic Function "Transit" activities. If not confirmed, please explain.

(e) Please explain what Window Service Parcel Post Functions would be recorded as Basic Function "Incoming" and "Other."

(f) Please explain how DBMC Parcel Post avoids the activities (and costs) associated with Window Service Basic Function "Incoming" and "Other" activities.

UPS/USPS-T28-16. Please refer to page 5 of your direct testimony.

(a) Please define the average size of a General Purpose Mail Container.

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(b) Please explain the difference between a Gaylord and a General Purpose Mail Container.

(c) Please discuss whether non-machinable parcels can be delivered in pallets or Gaylords and whether this will affect their eligibility for dropshipment discounts.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with section 12 of the Commission's Rules of Practice.


Stephanie Richman

Dated: August 4, 1997
Philadelphia, Pa.