

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 FROM UNITED PARCEL SERVICE
TO UNITED STATES POSTAL SERVICE WITNESS BRADLEY
(UPS/USPS-T13-20 through 23)

(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 Bradley (UPS/USPS-T13-20 through 23).

Respectfully submitted,



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**UNITED PARCEL SERVICE SECOND SET OF INTERROGATORIES
TO UNITED STATES POSTAL SERVICE WITNESS BRADLEY**

UPS/USPS-T13-20. In reference to Table 15 of your testimony and the HCSS database (WP-1), please identify the HCRID observation number corresponding to each of the eliminated observations in Table 15 by category.

UPS/USPS-T13-21. Your testimony in Docket No. R87-1 (USPS-T-9) included an analysis of time series data for selected inter-SCF and inter-BMC contracts (Tr. 12/8670). Please state whether you have subsequently conducted any variability-related analyses of USPS purchased transportation costs based on time series data. If so, please describe the particulars of all such analyses, including the mode of transportation, the time period covered, the econometric model or other estimation methodology applied, the data sources used, the results of the analyses performed, and any conclusions drawn from the analyses.

UPS/USPS-T13-22. With reference to equation (1) at page 6 of your testimony, please confirm that the variability of a particular contract or route j might be different from the value of the β_1 coefficient if that contract's CFM_j and RL_j characteristics differ from the mean values \bar{CFM} and \bar{RL} , respectively.

UPS/USPS-T13-23. In reference to page 14 of your testimony, please confirm whether the HCSS data set represents substantially all of the purchased highway transportation contracts for which Cost Segment 14 -- Highway costs were

accrued during FY1995, and explain the source of any differences between the total dollar amounts recorded.

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.



Albert P. Parker, II

Dated: August 4, 1997
Philadelphia, PA