

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, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS LION TO INTERROGATORIES OF
THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-T24--20-21, 23-24)

The United States Postal Service hereby provides responses of witness Lion to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T24--20-21, 23-24, filed on July 25, 1997. Interrogatories OCA/USPS-T24--22 and 25 were redirected, respectively, to witnesses Needham and Patelunas.

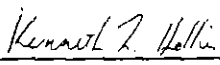
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



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August 7, 1997

OCA/USPS-T24-20. Please refer to your testimony at page 7, Table 3.

- a. Please refer to the column, "Boxes Installed (DSF 97)." Please provide the number of post office boxes installed, for each box size, by CAG in *each delivery group shown in Table 3.*
- b. Please refer to the column, "Boxes Installed (POB Survey)." Please provide the number of post office boxes installed, for each box size, by CAG in each delivery group shown in Table 3.

RESPONSE:

- (a)-(b) The data to perform this calculation are available in USPS LR-H-216 for any participant interested in performing such calculations.

OCA/USPS-T24-21. Please refer to your testimony at page 27, Table 13.

- a. Please provide post office box attributable costs by CAG for the FY98 TYBR.
- b. Please provide post office box attributable costs by CAG by box size for the FY98 TYBR.

RESPONSE:

- (a)-(b) The data to perform this calculation are available in USPS LR-H-216 for any participant interested in performing such calculations.

OCA/USPS-T24-22.

Redirected to witness Needham.

OCA/USPS-T24-23. Please refer to your testimony at page 14, Table 7C.

- a. Please confirm Table 7C shows that, prior to docket No. MC96-3, 904,241 boxholders ineligible for carrier delivery service paid post office box fees ranging from \$2 to \$55 annually, depending on box size. If you do not confirm, please explain.
- b. Please confirm that, as a result of Docket No. MC96-3, boxholders in Delivery Groups IC and II ineligible for carrier delivery service (other than boxholders living within one-quarter mile of the post office) received a fee decrease and now obtain box service at no charge. If you do not confirm, please explain.
- c. Please confirm that Table 7C shows no change, or 904,241 boxholders obtaining box service after the fee decrease at no charge after the fee decrease in Docket No. MC96-3. If you do not confirm, please explain.
- d. Prior to Docket No. MC96-3, how many customers received general delivery service in Delivery Groups IC and II.
- e. Please confirm that a price decrease for post office box service would cause some general delivery and other customers in Delivery Groups IC and II to obtain box service at no charge. If you do not confirm, please explain.
- f. Please estimate the increase in the number of general delivery and other customers obtaining box service at no charge as a result of the box fee decreases resulting from Docket No. MC96-3. Please show all calculations, and provide citations to all figures.

RESPONSE:

- (a) Confirmed.
- (b) Confirmed.
- (c) Confirmed.

- (d) I do not have, and am not aware of, any data on general delivery that permit an answer to this question.
- (e) This may be reasonable, but I have no data to confirm your statement. *Migration of general delivery or other customers to Group E boxes* would not, however, affect the revenue estimation for post office boxes, which is the point of Table 7.
- (f) I do not have, and am not aware of, any data to make this estimate.

OCA/USPS-T24-24. Please refer to your testimony at page 19, lines 4-5. Please confirm that the volume-variable cost data for post office boxes in the test year before rates are taken from the testimony and workpapers of witness Patelunas, USPS-T-15, WP E, Tables C and D. If you do not confirm, please explain.

RESPONSE:

Confirmed.

OCA/USPS-T24-25.

Redirected to witness Patelunas

DECLARATION

I, Paul M. Lion, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Paul M Lion

Dated: 8/7/97

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.

Kenneth N. Hollies

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