

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 INTERROGATORY OF
THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-T24-22)

The United States Postal Service hereby provides the response of witness Lion to the following interrogatory of the Office of the Consumer Advocate: OCA/USPS-T24-22, filed on July 25, 1997.

This interrogatory was part of a larger set directed to witness Lion, OCA/USPS-T24-20-25. On August 7, witness Lion responded to all but two interrogatories in that set, indicating that OCA/USPS-T24-22 had been redirected to witness Needham. After further discussion, however, it has been determined that witness Lion can best respond to the interrogatory.

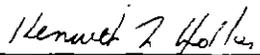
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



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August 8, 1997

RESPONSE OF POSTAL SERVICE WITNESS LION TO INTERROGATORY
OF THE OFFICE OF THE CONSUMER ADVOCATE, OCA/USPS-T24-22

OCA/USPS-T24-22: Please refer to your testimony at page 6, lines 6-7, and the excel file "pobox98" and the sheet "TYBR Box Count." Please explain the origin and development of the 1.9 percent growth factor. Please show all calculations and provide citations to any figures used.

RESPONSE:

I understand that for recent rate cases, post office box volume has been estimated to increase 3.9 percent annually based on results from a 1985 study that profiled post office boxes. Since new data on post office box volumes were collected in preparing for Docket No. MC96-3, the growth factor was reviewed. It was decided to use a more conservative factor of 1.9 percent.

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: 8/8/97

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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