

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

**FIRST SET OF INTERROGATORIES FROM UNITED PARCEL SERVICE
TO UNITED STATES POSTAL SERVICE WITNESS WADE
(UPS/USPS-T20-1 through 3)**

(August 21, 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 Wade (UPS/USPS-T20-1 through 3).

Respectfully submitted,



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Of Counsel.

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TO UNITED STATES POSTAL SERVICE WITNESS WADE**


UPS/USPS-T20-1. In reference to page 6, footnote 4 of your testimony, please identify which non-BMC facilities are included in your sample and which non-BMC facilities were excluded, and indicate the reasons for each exclusion. For each included and excluded non-BMC facility, please provide the VSD workhours reported in FY 1993 and in FY 1996.

UPS/USPS-T20-2. In reference to your observations concerning volume variability as a function of facility size at page 20, lines 5 to 13, of your testimony, please confirm that a 5-percent increase in volume at all facilities would result in an increase in VSD work hours by more than 65.4% of 5 percent, since 65.4% is the variability of VSD hours at the mean facility and variability increases with facility size. Please explain any nonconfirmation.

UPS/USPS-T20-3. In reference to your identification of four irregular observations cited in your Workpaper F, Supplemental Analysis, please state whether inclusion or exclusion of these four observations provides a more or less reliable estimate of volume variability based on your preferred regression equation model, and state the basis for your conclusions.

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 21, 1997
Philadelphia, PA