

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE AND FEE CHANGES, 1997

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY
Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS TAYMAN TO INTERROGATORY OF
UNITED PARCEL SERVICE
(UPS/USPS-T9-1)

The United States Postal Service hereby provides the response of witness Tayman to the following interrogatory of United Parcel Service: UPS/USPS-T9-1, filed on August 18, 1997.

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



Scott L. Reiter

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September 2, 1997

RESPONSE OF WITNESS TAYMAN TO INTERROGATORIES OF
THE UNITED PARCEL SERVICE

UPS/USPS-T9-1. Please refer to your discussion of "Recovery of Prior Year Losses" on pages 39-42 of your Direct Testimony and assume that the Commission were to approve the proposed rates, resulting in a test year Parcel Post coverage that the Postal Service estimates to be 103%..

- a. Over the expected effective duration of these rates, what is your estimate of the total dollar contribution that Parcel Post would make to the restoration of the Postal Service's equity.
- b. What is the total dollar contribution that parcel Post would make to the restoration of Postal Service equity?
- c. Of the total contributions to the restoration of the Postal Service's equity in the test year, what percentage comes form Parcel Post.

RESPONSE:

a.-c. I am unable to make such estimates. Equity improves as a result of net income, which is not allocated by class of mail. Also refer to UPS/USPS-T30-2.

DECLARATION

I, William P. Tayman, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

William P. Tayman

Dated: SEPT. 2, 1997

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.

A handwritten signature in cursive script, appearing to read "Scott L. Reiter", written above a horizontal line.

Scott L. Reiter

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