

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

RECEIVED  
Nov 8 4 30 PM '01  
POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS MEEHAN TO INTERROGATORY OF  
PARCEL SHIPPERS ASSOCIATION REDIRECTED  
FROM WITNESS COCHRANE  
(PSA/USPS-T40-3(a) and (b))

The United States Postal Service hereby provides the responses of witness Meehan to the following interrogatory of Parcel Shippers Association: PSA/USPS-T40-3(a) and (b), filed on October 25, 2001, and redirected from witness Cochrane.

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:

  
\_\_\_\_\_  
Susan M. Duchek

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2990; Fax -5402  
November 8, 2001

**Response of United States Postal Service Witness Meehan  
to  
Interrogatories of Parcel Shippers Association  
(Redirected from witness Cochrane USPS-T-40)**

**PSA/USPS-T40-3.** Please refer to the following excerpt from USPS-LR-J-49:

**PMPC IN HOUSE** - This program involves returning operations that had been previously contracted-out to the Postal Service. Additional operational expenses that will be incurred by the Postal Service include: clerk and mailhandler personnel, rent, equipment repair and maintenance, and air and highway transportation.

**PMPC CONTRACT** - This program is the savings to the Postal Service of not continuing its contract for the PMPC network. By bringing the PMPC operations in house, the Postal Service avoids the remaining costs contained in the original contract.

Please also refer to the rows in USPS-LB-J-49, Exhibits A and B that refer to PMPCs and page 10 of your testimony where you state, "One difference has been the introduction of other mail classifications to the PMPC network to prevent facility idle time."

(a) In FY 2000, were all costs for the PMPC contract attributed to Priority Mail? If "no", please explain fully.

(b) Did the Postal Service incur any costs in FY 2000 related to bringing the PMPC network in-house or canceling the PMPC contract? If so, how large were these costs and for what activities were these costs incurred?

**Response:**

(a) Yes.

(b) No.

**DECLARATION**

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

*Karen B Meehan*

Dated: 11/08/01

## 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.

  
\_\_\_\_\_  
Susan M. Duchek

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2990; Fax -5402  
November 8, 2001