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

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POSTAL RATE AND FEE CHANGES, 2001

POSTAL BATE CONCLUSION DOCKET No R2001-DEFTARY

AMAZON.COM, INC. FIRST INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO UNITED STATES POSTAL SERVICE <u>WITNESS JENNIFER J. XIE (AMZ/USPS-T2-1-9)</u> (November 13, 2001)

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission,

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Amazon.com, Inc. hereby submits interrogatories and requests for production of documents.

If necessary, please redirect any interrogatories and/or requests to a more appropriate Postal

Service witness.

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Respectfully submitted,

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Counsel for Amazon.com, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served this document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Villiam J. Olso

November 13, 2001

AMZ/USPS-T2-1.

In Docket No. R2000-1, witness Bradley, USPS-T-18, at page 26, Table 4, provided the results of the then most recent survey by PricewaterhouseCoopers of the average size of trailers in leased trailer fleets.

- a. Has the Postal Service updated this survey since Docket No. R2000-1? If so,
 please provide the results in a format similar to that provided in witness
 Bradley's Table 4.
- b. Does the Postal Service have data which indicate the largest size trailers in use in its leased fleets? If so, please provide.
- c. Over the past 15 years, has there been a tendency for the average cubic capacity of trailers in the Postal Service's leased fleet to increase? Please provide all data on which you rely for your answer.

AMZ/USPS-T2-2.

The maximum weight of a trailer may vary by state and by the number of axles on the trailer. Recognizing that there is no uniform national weight limit, what does the Postal Service consider to be the maximum capacity, in terms of both total trailer weight and net weight of cargo, of (i) the four or five most commonly-used trailers in its leased trailer fleets, and (ii) the largest trailers in its leased fleets?

AMZ/USPS-T2-3.

For purposes of this interrogatory, please assume that the maximum capacity of a particular trailer is either 4,000 cubic feet or 40,000 pounds, whichever occurs first. Assume further that the trailer utilized for inter-BMC transportation and is loaded with 1,000 cubic feet of mail that weighs 18,000 pounds (*i.e.*, has an average density of 18 pounds per cubic foot). The mail in the trailer has thus utilized 25 percent of the trailer's cubic capacity and 45 percent of its weight-carrying capacity.

- a. Under the Transportation Cost System ("TRACS") system, would the trailer be regarded as 25 percent utilized or 45 percent utilized? That is, would it be 75 percent empty, or 55 percent empty? Please explain the rationale for your answer.
- b. If this trailer were sampled as part of TRACS, would TRACS expand the sampled mail to fill the 75 percent of unutilized cube? Please explain the rationale for your answer.

AMZ/USPS-T2-4.

As in interrogatory AMZ/USPS-T2-3, please assume that the maximum capacity of a particular trailer is either 4,000 cubic feet or 40,000 pounds, whichever occurs first. In this case, however, assume that the trailer is loaded with 2,000 cubic feet of mail that weighs 36,000 pounds. The mail in the trailer has thus utilized 50 percent of the trailer's cubic capacity and 90 percent of its weight-carrying capacity.

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- a. Under the TRACS system, would the trailer be regarded as 50 percent utilized or 90 percent utilized? That is, would the trailer be regarded as 50 percent empty or 10 percent empty?
- b. If this trailer were sampled as part of TRACS, would TRACS expand the sampled mail to fill the 50 percent of unutilized cube? Please explain the rationale for your answer.

AMZ/USPS-T2-5.

As in interrogatory AMZ/USPS-T2-3, please assume that the maximum capacity of a particular trailer is either 4,000 cubic feet or 40,000 pounds, whichever occurs first. In this case, however, assume that the trailer is loaded with 2,220 cubic feet of mail that weighs 39,960 pounds. The mail has thus utilized 55.5 percent of the trailer's cubic capacity and 99.9 percent of its weight-carrying capacity.

- a. Under the TRACS system, would the trailer be regarded as 55.5 percent utilized or 99.9 percent utilized? That is, would the trailer be regarded as 44.5 percent empty or 0.1 percent empty?
- b. If this trailer were sampled as part of TRACS, would TRACS expand the sampled mail to fill the 44.5 percent of non-utilized cube? Please explain the rationale for your answer, and especially address why the sampled mail would be expanded to this non-utilized cube when only 40 more pounds can be added to the trailer.

AMZ/USPS-T2-6.

Based on data supplied by TRACS, witness Eggleston, USPS-T-25, at page 20, Table IV-3, reports that based on her computations the Postal Service's cost of transporting DSCFentered parcel post (to DDUs) is \$0.807 per cubic foot. Witness Eggleston, at page 28, Table VII-1, likewise reports the Postal Service's cost of transporting DSCF-entered Bound Printed Matter (to DDUs) is \$0.029 per pound. Since Bound Printed Matter has an average density, according to USPS-LR-J-2, of 14.2 pounds per cubic foot, the Postal Service's cost of transporting a cubic foot of DSCF-entered Bound Printed Matter is \$0.412 per cubic foot.

- a. Please explain why, on a per cubic foot basis, TRACS data result in DSCFentered parcels having a transportation cost of 2.0 times as much as Bound Printed Matter.
- b. Does TRACS have an implicit bias that results in charging more per cubic foot for mail with a low density, such as Parcel Post? If so, please explain why. If not, please explain why TRACS results in a per cubic foot transportation costs for parcel post that is high relative to Bound Printed Matter.

AMZ/USPS-T2-7.

What is the average distance for mail transported to Zone 5? To Zone 6? To Zone 7?

AMZ/USPS-T2-8.

What is the average rate charged by railroads to ship a van (on a flat car) the average distance to Zone 5? To Zone 6? To Zone 7?

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AMZ/USPS-T2-9.

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- a. In terms of cubic feet, what is the average percentage capacity utilization of vans used in inter-BMC transportation?
- b. In terms of practical weight limit, what is the average percentage capacity utilization of vans used in inter-BMC transportation?