UNITED STATES OF AMERICA Before The POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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Postal Rate and Fee Changes, 2001

Docket No. R2001-1

OFFICE OF THE CONSUMER ADVOCATE INTERROGATORIES TO UNITED STATES POSTAL SERVICE WITNESS KIRK T. KANEER (OCA/USPS-T38-1-7) November 14, 2001

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-1-21 dated September 28, 2001, are hereby incorporated by reference.

Respectfully submitted,

SHELLEY S. DREIFUSS Acting Director Office of the Consumer Advocate

EMMETT RAND COSTICH Attorney

1333 H Street, N.W. Washington, D.C. 20268-0001 (202) 789-6830; Fax (202) 789-6819 OCA/USPS-T38-1. Please refer to your testimony at page 4, lines 18-19.

- Please confirm that the "Erent" values developed by witness Yezer are used, in conjunction with the Docket No. MC96-3 post office box classification schedule, to develop more cost homogeneous fee groups in this proceeding. If you do not confirm, please explain.
- Please confirm that the "Erent" values developed by witness Yezer are used to distribute the category of test year before rates (TYBR) attributable post office box costs known as Space Provision, which includes contingency, less an estimate of costs associated with Caller Service and Reserve Numbers. If you do not confirm, please explain.
- c. Are the "Erent" values developed by witness Yezer used in any additional way,
 other than identified in parts a. and b. above, in the development of your proposal
 for post office box service in this proceeding. Please explain.

OCA/USPS-T38-2. Please refer to your testimony at page 8, Figure 1.

- Please confirm that Figure 1 is not the same SAS frequency chart shown in Docket No. R2000-1, USPS-LR-I-155 at page 37, revised March 31, 2000. If you do not confirm, please explain.
- b. Please confirm that Figure 1 is not the same SAS frequency chart shown in Docket No. R2000-1, USPS-LR-I-155 at page 37, as originally filed. For example, the frequency of the 8.8 column in Figure 1 is less than the same frequency in USPS-LR-I-155 at page 37, as originally filed. If you do not confirm, please explain.

C.

Please provide the correct SAS frequency chart for Figure 1.

OCA/USPS-T38-3. Please refer to your testimony at page 8, Figure 1.

- Please confirm that Figure 1 does not include negative "Erent" values. If you do not confirm, please explain and provide Figure 1 that includes negative "Erent" values.
- Please provide the number of negative "Erent" values developed by witness Yezer.
- c. Please explain how the negative "Erent" values were used in, and affected the development of, your
 - i) post office box classification schedule, and
 - ii) the distribution of TYBR Space Provision costs.

OCA/USPS-T38-4. Please refer to your testimony at page 4, lines 18-19. In PRC Op. R2000-1, at 539, the Commission states, "the Service indicates that it will be updating data over time as part of its ongoing reappraisal in this area."

- a. Please confirm that the "Erent" values developed by witness Yezer will have to be periodically updated so as to ensure that the post office box classification schedule reflects costs. If you do not confirm, please explain.
- Please explain how, and provide a schedule of when, the Postal Service intends to update the data used by witness Yezer in developing his "Erent" values, or obtain comparable data to prepare new "Erent" values.

- c. Please explain how the Postal Service intends to eliminate the negative "Erent" values as part of its update of the data.
- d. Please explain how the Postal Service intends to update the data so as to incorporate the addition of new post offices, include existing post offices not included in the data used by witness Yezer, and incorporate new information related to existing post offices.
- e. Please explain how the Postal Service intends to update the data so as to ensure that the data reflects the correct number of boxes installed.

OCA/USPS-T38-5. Please refer to your testimony at page 15, lines 9-11. Please discuss the options under consideration by the Postal Service "to compile post office box data that could be used to discern price effects on box use."

OCA/USPS-T38-6. Please refer to your testimony at pages 15 and 16, lines 12-23, and line 1, respectively.

- Please confirm that the "revenue adjustment factor of 93.2 percent" is not derived from an estimate of population growth, or the size of the population. If you do not confirm, please explain.
- b. Please provide the following data for the past 5 years: the annual rate of population growth for individuals over age 22, the annual rate of growth in the number of boxes in use, the annual rate of growth in the number of boxes installed, and the annual rate of growth in the number of postal facilities having post office boxes.

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OCA/USPS-T38-7. Please refer to your testimony at page 19, lines 1-3. Please confirm that the Postal Service intends to collect data on the distribution of box sizes by ZIP Codes. If you do not confirm, please explain.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with Rule 12 of the rules of practice.

Stephanie Wallace

Washington, D.C. 20268-0001 November 14, 2001