

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

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

**RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS MILLER TO INTERROGATORY OF THE ASSOCIATION OF  
POSTAL COMMERCE  
(POSTCOM/USPS-T24—6)**

The United States Postal Service hereby provides the response of witness Miller to the following interrogatory of the Association of Postal Commerce: POSTCOM/USPS-T24—6, filed on November 6, 2001.

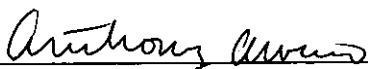
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

  
\_\_\_\_\_  
Anthony Alverno  
Attorney

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2997; Fax -6187  
November 20, 2001

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MILLER TO INTERROGATORIES OF THE ASSOCIATION FOR POSTAL COMMERCE**

**POSTCOM/USPS-T24-6** In your answer to Postcom/USPS-T24-1, you differentiate between "models" and "estimates." Please describe the fashion in which the "estimates" are derived without reliance on the "models."

**RESPONSE:**

The total mail processing unit cost estimates by rate category are derived using the model costs by rate category. However, the subject interrogatory concerned the costs related to missorting. Those costs are not included in the cost models. Consequently, the model costs by rate category contain no costs related to missorting.

The CRA mail processing unit costs, however, do contain the costs related to missorting. The CRA costs are used to develop adjustment factors. These adjustment factors are, in turn, applied to the model costs as described in USPS-T-24, page 12 at 21-22. Consequently, the total mail processing unit cost estimates by rate category do contain costs related to missorting.

**DECLARATION**

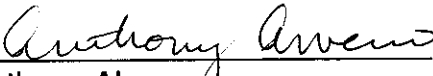
I, Michael W. Miller, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

  
\_\_\_\_\_  
MICHAEL W. MILLER

Dated: 11-20-01

## 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.

  
Anthony Alverno

475 L'Enfant Plaza West, S.W.  
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