

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 MAYES
TO INTERROGATORIES OF AMAZON.COM
(AMZ/USPS-T23—1-2)**

The United States Postal Service hereby provides the response of witness Mayes to the following interrogatories of Amazon.com: AMZ/USPS-T23—1-2, filed on November 13, 2001.

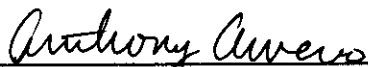
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Anthony Alverno
Attorney

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November 27, 2001

**RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS MAYES TO INTERROGATORIES OF
AMAZON.COM (AMZ)**

AMZ/USPS-T23-1.

- a. Please confirm that according to USPS-LR-J-68, Appendix B, Table 9, the average Test Year transportation cost avoidance for Standard Mail dropshipped to Destination Delivery Units ("DDUs") is \$0.1391 per pound. If you do not confirm, please provide the correct figure.
- b. Please confirm that the transportation cost avoided for Standard Mail dropshipped to a DDU should be approximately equal to the Postal Service's total cost of shipping to DDUs Standard Mail that is entered with no dropshipment. If you do not confirm, please provide the Postal Service's correct cost per pound for transporting to DDUs Standard Mail that is entered with no dropshipment.
- c. Please confirm that according to USPS-LR-J-2, the Cost and Revenue Analysis ("CRA") report for FY 2000, the density of Standard Mail is 17.8 pounds per cubic foot. If you do not confirm, please provide the correct CRA density.
- d. Please confirm that the Postal Service's average Test Year Before Rates transportation cost for shipping to DDUs a cubic foot of Standard ECR with no destination entry is approximately \$2.4760. If you do not confirm, please provide the correct cost.

RESPONSE:

- a. Confirmed.
- b. Confirmed.
- c. Confirmed.
- d. I can confirm that 17.8 multiplied by \$0.1391 is approximately \$2.4760. I do not have a measure of the density of Standard ECR mail that is not dropshipped. Consequently, I cannot confirm that the Postal Service's average test year transportation cost for shipping to DDUs a cubic foot of Standard ECR with no destination entry is \$2.4760.

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS MAYES TO INTERROGATORIES OF
AMAZON.COM (AMZ)

AMZ/USPS-T23-2.

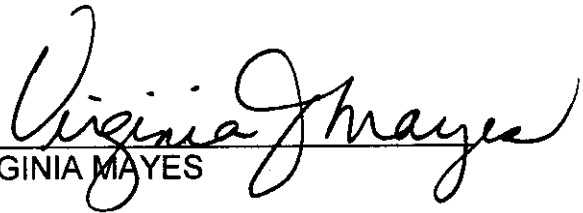
- a. Please confirm that according to USPS-LR-J-68, Appendix B, Table 9, the average Test Year transportation cost avoidance for Standard Mail dropshipped to Destination Sectional Center Facilities ("DSCFs") is \$0.1124 per pound, and the difference between mail dropshipped to DSCFs and DDUs is \$0.0267 per pound; *i.e.*, \$0.1391 - \$0.1124. If you do not confirm, please provide the correct figures.
- b. Please confirm that the difference in transportation costs avoided for Standard Mail dropshipped to DSCFs and DDUs, \$0.0267 per pound, should be approximately equal to the Postal Service's cost of shipping Standard Mail from DSCFs to DDUs. If you do not confirm, please provide your best estimate of the Postal Service's correct cost per pound for transporting mail from DSCFs to DDUs.
- c. Assuming that the density of Standard Mail is 17.8 pounds per cubic foot, as shown in the CRA Report for FY 2000, please confirm that the Postal Service's average Test Year Before Rates transportation cost for shipping a cubic foot of Standard Mail from DSCFs to DDUs is approximately \$0.47526; *i.e.*, 17.8 pounds per cubic foot times \$0.0267 per cubic foot. If you do not confirm, please provide the correct cost.

RESPONSE:

- a. Confirmed.
- b. Confirmed, as provided in USPS-LR-J-68, Appendix B, Table 9, as X^{DSCF} .
- c. I can confirm that 17.8 multiplied by \$0.0267 is approximately \$0.47526. I do not have a measure of density for Standard Mail that must be transported by the Postal Service from DSCFs to DDUs. Consequently, I cannot confirm that the cost per cubic foot of transporting this mail is \$0.47526.

DECLARATION

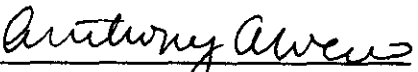
I, Virginia Mayes, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.


VIRGINIA MAYES

Dated: 11-27-01

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

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