

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

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS JENNIFER L. EGGLESTON TO SECOND INTERROGATORIES  
OF PARCEL SHIPPERS ASSOCIATION (PSA/USPS-T25-4-5)

The United States Postal Service hereby files the response of witness Jennifer L. Eggleston to the following interrogatories of the Parcel Shippers Association:

PSA/USPS-T25-4-5, filed on November 16, 2001.

The interrogatories are stated verbatim, and are followed by the responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

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November 30, 2001

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EGGLESTON TO INTERROGATORIES OF PARCEL SHIPPERS ASSOCIATION

**PSA/USPS-T25-4.**

Please refer to your response to PSA/USPS-T25-1 (d) where you state, "[t]he costs in the inter-[BMC] highway account also include stops at facilities other than BMCs, and therefore may be used by both intra-BMC and DBMC mail. In fact, only 45 percent of the stop-days of Inter-BMC highway transportation are at BMCs." Please refer further to the table you provided in your response to PSA/USPS-T25-3(d) that was titled "BY 2000 Inter-BMC Stop-Days". Finally, please refer to USPS-LR-J-64, 2ptran.xls.

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(f). Please define Inter-BMC highway transportation as used in USPSLR-J-64.xls.

**RESPONSE:**

(a)-(e). Redirected to witness Xie.

(f). The term inter-BMC highway transportation used in LR-J-64 refers to the transportation cost category as it is reported in USPS-T-11, WP.B. c/s 14.

(g)-(h). Redirected to witness Xie.

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**PSA/USPS-T25-5.**

Please refer to your response to PSA/USPS-T25-1 (d) where you state, "[t]he methodological change to the Parcel Post transportation model deals with how inter-[BMC] highway transportation costs were distributed. In the Parcel Post transportation model presented in Docket No. R2000-1, it was assumed that all costs contained in the inter-[BMC] highway transportation account were costs associated with transporting mail from one BMC to another BMC. Therefore, all highway transportation costs were distributed to the long distance zone-related cost category. Between the filing of Docket No. R2000-1 and Docket No. R2001-1, I learned that this was not an accurate assumption." Please refer to USPS-LR-J-64, 2ptran.xls, worksheet Cost-dist 1.

- (a) Please confirm that, in Docket No. R2001-1, you assume that intra-Bulk Mail Center (BMC) highway transportation is exclusively for transportation within the service territory of a [BMC] and therefore distribute all of the intra-BMC highway transportation costs to the intermediate cost category. If not confirmed, please explain your response fully.
- (b) Please confirm that, in Docket No. R2001-1, you assume that inter-Sectional Center Facility (SCF) highway transportation are for transportation within the service territory of a BMC and therefore distribute all of the inter-SCF highway transportation costs to the intermediate cost category. If not confirmed, please explain your response fully.

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- (g) Please define Intra-[BMC] highway transportation as used in USPS-LR-J-64, 2ptran.xls.
- (h) Please define Inter-[SCF] highway transportation as used in USPS-LR-J-64, 2ptran.xls.

**RESPONSE:**

(a)&(b). Not confirmed. There are no assumptions made about service areas in my testimony. The Parcel Post transportation model assumes that intra-BMC highway transportation costs and inter-Sectional Center Facility highway transportation costs are used for intermediate transportation. This is assumed to be *similar* to the transportation a parcel would receive as it is transported from a BMC to a SCF or from a SCF to a

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BMC. However, this assumption does not restrict the transportation between facilities in the same BMC service area.

(c)-(f). Redirected to Witness Xie.

(g). The term intra-BMC highway transportation used in LR-J-64 refers to the transportation cost category as it appears in USPS-T-11, WP.B., c/s 14.

(h) The term inter-SCF highway transportation used in LR-J-64 refers to the transportation cost category as it appears in USPS-T-11, WP.B. c/s 14.

## 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.

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