

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 JAMES M. KIEFER TO INTERROGATORIES OF
UNITED PARCEL SERVICE
REDIRECTED FROM WITNESS MOELLER
(UPS/USPS-T28-22, 23, 27, AND 28)

The United States Postal Service hereby files the response of witness James M. Kiefer to the following interrogatories of United Parcel Service redirected from witness Moeller and filed on November 19, 2001: UPS/USPS-T28-22, 23, 27, and 28.

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

Scott L. Reiter

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December 4, 2001

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
TO INTERROGATORIES OF UNITED PARCEL SERVICE
REDIRECTED FROM WITNESS MOELLER**

UPS/USPS-T28-22. Confirm that a worksharing discount is not offered for Priority Mail pieces that are entered at the Destination Delivery Unit (“DDU”). If not confirmed, explain in detail.

(a) Confirm that any piece that is migrated from Priority Mail to Parcel Post DDU destination entry will yield significantly less contribution per piece to institutional costs. If not confirmed, explain in detail.

(b) Assume there was a DDU destination entry discount for Priority Mail pieces. Confirm that a workshared Priority Mail DDU destination entry piece with 100% passthrough of worksharing savings would have a contribution to institutional costs of \$2.23 per piece. If not confirmed, explain in detail.

RESPONSE:

See my response to UPS/USPS-T33-4.

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UPS/USPS-T28-23. Refer to library reference USPS-LR-J-64, Attachment A, page 6.

(a) Confirm that there were approximately 38 million Parcel Post DDU-entry pieces in Base Year 2000. If not confirmed, explain in detail.

(b) Refer to library reference USPS-LR-J-106, workpaper WP-PP-1. Confirm that there are expected to be approximately 104 million Parcel Post DDU destination-entry pieces in the TYAR under the Postal Service's proposed rates. If not confirmed, explain in detail.

(c) Confirm that Parcel Post DDU destination entry pieces are forecast to be 28.1% of total Parcel Post volume in the TYAR. If not confirmed, explain in detail.

RESPONSE:

See my response to UPS/USPS-T33-5.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KIEFER
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UPS/USPS-T28-27. Confirm that both Priority Mail and Parcel Post pieces will be offered free electronic delivery confirmation service under the Postal Service's proposal in this docket. If not confirmed, explain in detail.

RESPONSE:

See my response to UPS/USPS-T33-9.

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UPS/USPS-T28-28. Confirm that pieces below 1 pound were not permitted to be sent by Parcel Post prior to January 2001. If not confirmed, explain in detail.

(a) Confirm that Priority Mail pieces below 1 pound could migrate to Parcel Post DDU destination entry beginning in January 2001. If not confirmed, explain in detail.

(b) Refer to library reference USPS-LR-J-106, workpaper WP-PP-7. Provide the share of 1 pound Parcel Post parcels separately for DDU destination entry and DSCF destination entry. If not available, explain why not.

RESPONSE:

See my response to UPS/USPS-T33-10.

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.

Scott L. Reiter

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