

Before The
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

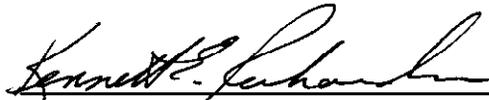
Postal Rate and Fee Changes, 2001)

Docket No. R2001-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORY TO WILLIAM P. TAYMAN, JR.
(OCA/USPS-T6-57)
December 10, 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 an interrogatory 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,



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Office of the Consumer Advocate

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OCA/USPS-T6-57. Please refer to your testimony at 53, lines 19-30, wherein you discuss economic risks. Presumably these risks can potentially affect revenues, costs, and the need for a contingency. For purposes of responding to the following subparts asking for the impact of adjusting a basic assumption, please assume that all other facts and assumptions would remain constant, *i.e., ceteris paribus*.

(a) Please confirm that the underlying economic information supporting the projections of a need for a contingency was based on DRI-WEFA economic forecasts produced in June of 2001 and, therefore, based on DRI-WEFA's understanding of the economy as of that date. If you do not confirm, please state the date(s) of the forecast(s) used by you and any other witnesses on whose testimony you rely as well as which underlying economic data series correspond to which forecast dates.

(b) How would your estimate of a need for a contingency be impacted by a GDP growth estimate that was one percent higher than originally projected for each of the years in your forecast through 2003, the test year? Please explain all reasoning and calculations.

(c) How would your estimate of a need for a contingency be impacted by a GDP that was one percent lower than originally projected for each of the years in your forecast through 2003, the test year? Please explain all reasoning and calculations.

(d) Please state the assumptions for inflation in the forecast you used and then explain how the need for a contingency would be impacted by an inflation rate that was one percent higher than originally projected for each of the years in

your forecast through 2003, the test year. Please explain all reasoning and calculations.

(e) Please state the assumptions for inflation in the forecast you used and then explain how the need for a contingency would be impacted by an inflation rate that was one percent lower than originally projected for each of the years in your forecast through 2003, the test year? Please explain all reasoning and calculations.

(f) Please state the assumptions for the index of consumer confidence in the forecast you used and then explain how the need for a contingency would be impacted by an index that was five points higher than originally projected each of the years in your forecast through 2003, the test year. Please explain all reasoning and calculations. Please explain all reasoning and calculations.

(g) Please state the assumptions for the index of consumer confidence in the forecast you used and then explain how the need for a contingency would be impacted by an index that was five points lower than originally projected for each of the years in your forecast through 2003, the test year. Please explain all reasoning and calculations.

(h) Please state the assumptions for the unemployment rate in the forecast you used and then explain how the need for a contingency would be impacted by an unemployment rate that was one percent higher than originally projected for each of the years in your forecast through 2003, the test year. Please explain all reasoning and calculations.

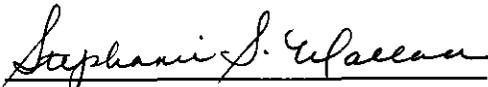
(i) Please state the assumptions for the unemployment rate in the forecast you used and then explain how the need for a contingency would be impacted by an unemployment rate that was one percent lower than originally projected for each of the years in your forecast through 2003, the test year. Please explain all reasoning and calculations.

(j) Please state the assumptions on the level of business investment in the forecast you used and then explain how the need for a contingency would be impacted by a level of investment that was 10 percent higher than originally projected for each of the years in your forecast through 2003, the test year. Please explain all reasoning and calculations.

(k) Please state the assumptions on the level of business investment in the forecast you used and then explain how the need for a contingency would be impacted by a level of investment that was 10 percent lower than originally projected in each of the years in your forecast through 2003, the test year. Please explain all reasoning and calculations.

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 S. Wallace

Washington, D.C. 20268-0001
December 10, 2001