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 NIETO TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE, REDIRECTED FROM WITNESS ABDIRAHMAN (OCA/USPS-T42—6)

The United States Postal Service hereby provides the response of witness Nieto to the following interrogatory of the Office of the Consumer Advocate: OCA/USPS-T42-6, filed on November 28, 2001, and redirected from witness Abdirahman

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

David H. Rubin

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202) 268-2986; Fax -6187 December 12, 2001

RESPONSE OF POSTAL SERVICE WITNESS NIETO TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE (REDIRECTED FROM WITNESS ABDIRAHMAN)

OCA/USPS-T42-6. If one were to perform a rough estimate of the unit cost of a printed envelope (\$0.0476 – see OCA/USPS-T42-1 (b)) that incorporates manual delivery confirmation, please confirm that one could add to the unit cost of a printed envelope the cost of manual delivery confirmation for a Priority Mail piece (\$0.4064 – from USPS-T26 at page 6) less the unit selling cost of a printed envelope (\$0.0058 – from USPS-LR-69 at page 35) yielding a unit cost of \$0.4482 (\$0.0476 + \$0.4064 - \$0.0058). If you are unable to confirm, please explain what steps would be necessary to prepare a rough estimate of the unit cost of a USPS delivery confirmation printed envelope.

RESPONSE:

Not confirmed. I have not studied the costs of Delivery Confirmation for letter-shaped mail, but I believe that the costs for manual Delivery Confirmation for Priority Mail may not be a good proxy. For example, providing Delivery Confirmation for a First-Class Mail letter would require different operations than those currently in place today. Also, it is my understanding that the cost of a printed stamped envelope would not be a good proxy for the cost to produce an envelope with a Delivery Confirmation barcode.

Please refer to the response of witness Abdirahman to OCA/USPS-T42-1. Both an envelope cost and a letter-mail Delivery Confirmation cost would need to be studied to develop even a rough estimate of costs.

DECLARATION

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

Toma B. Milo

Dated: DECEMBER 12, 2001

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.

David H. Rubin

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 December 12, 2001