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

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POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MILLER TO INTERROGATORY OF THE AMERICAN BANKERS ASSOCIATION AND NATIONAL ASSOCIATION OF PRESORT MAILERS (ABA&NAPM/USPS-T24—6)

The United States Postal Service hereby provides the response of witness Miller to the following interrogatory of the American Bankers Association and the National Association of Presort Mailers: ABA&NAPM/USPS-T24—6, filed on November 26, 2001.

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

Anthony Alverno

Attorney

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202) 268-2997; Fax -6187 December 13, 2001

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MILLER TO INTERROGATORIES OF THE AMERICAN BANKERS ASSOCIATION AND NATIONAL ASSOCIATION OF PRESORT MAILERS

ABA&NAPM/USPS-T24-6 Do the "Actual Total Mail Processing Unit Costs" in your Table I of your T-24 Direct Testimony include delivery costs? Please confirm that delivery costs are relevant to worksharing related savings of First Class Automated flats.

RESPONSE:

No. Please see the purpose of my testimony as outlined in Section I. My testimony calculates total mail processing unit cost estimates. It does not calculate worksharing related savings estimates. In addition, there is no reason to expect that there will be delivery cost differences related to worksharing in the test year as flat-shaped mail will not be processed in Delivery Point Sequence (DPS).

DECLARATION

| I, Michael W. Miller, declare under penalty of perjury that the foregoing |
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| answers are true and correct, to the best of my knowledge, information, and belief. |
| MICHAEL W. MILLER |
| Dated: |

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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