

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

REVISED RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS TAUFIQUE TO INTERROGATORY OF
THE MAGAZINE PUBLISHERS OF AMERICA, INC. [ERRATA]
(MPA/USPS-T34-22)

The United States Postal Service hereby provides the revised response of witness Taufique to the following interrogatory of the Magazine Publishers of America, Inc.: MPA/USPS-T34-22, filed on November 26, 2001. This response is more complete than the original response, which was filed on December 12, 2000.


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



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December 17, 2001

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MPA/USPS-T34-22. Assume that a mailer enters an area distribution center (ADC) container at a destination ADC (DADC). Assume further that 80 percent of the mail in this container destinates in the area for which this ADC is also the destination sectional center facility (DSCF).

(a) Please confirm that the cost for the Postal Service to transport this 80 percent of the mail to the DSCF is zero and, therefore, the transportation cost for this mail is similar to that for DSCF mail. If not confirmed, please explain your response fully.

(b) Please confirm that all of the mail in the container described above will pay the DADC pound rate if the Postal Service-proposed rates go into effect. If not confirmed, please explain your response fully.

(c) All else being equal, please confirm that, for the reason discussed in subparts (a) and (b) of this interrogatory, among others, non-DADC Zones 1 and 2 periodicals have higher transportation costs than DADC Zones 1 and 2 periodicals. If not confirmed, please explain your response fully.

(d) All else being equal, please confirm that, for the reason discussed in subparts (a) and (b) of this interrogatory, non-DADC Zones 1 and 2 periodicals have higher transportation costs than Zones 1 and 2 periodicals as a whole. If not confirmed, please explain your response fully.

RESPONSE:

(a) *Not confirmed.* Transportation cost could be zero in most instances, but ADC and SCF mail can be worked in separate buildings which would then result in additional transportation. ADC and SCF mail may be worked in separate areas even if in the same facility, so there would be some nontransportation cost for transferring this mail to the SCF work area. In multi-level facilities where availability of elevators could cause a bottleneck, this mail could actually be trucked to a different level of the same facility. (For example, in southern California, all ADC pallets go to

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the BMC to be worked, while all SCF pallets go to the corresponding facility.)

- (b) Not confirmed. The final determination will be made as part of the implementation process. However, it is difficult at this time to determine under what circumstances a pallet with mail for more than one SCF would receive the SCF rate given that some additional cost would be involved in working through the entire pallet in order to separate the 20 percent non-DSCF mail.
- (c) I am not able to confirm your statement. In the above case the transportation cost may be zero as my response to subpart (a) states, but it is possible that non-DADC Zones 1 & 2 mail could, in some cases, have lower transportation cost than DADC Zones 1 & 2 mail.
- (d) I am unable to confirm your statement, which is generally true, but maybe not in all cases. Please see my response to subpart (c) above.

DECLARATION

I, Altaf H. Taufique, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.



Dated: 12/17/01

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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