

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 TAYMAN TO INTERROGATORY
OF THE AMERICAN BANKERS ASSOCIATION AND
THE NATIONAL ASSOCIATION OF PRESORT MAILERS
(ABA&NAPM/USPS-T6-1)

The United States Postal Service hereby provides the response of witness Tayman to the following interrogatory of the American Bankers Association and the National Association of Presort Mailers: ABA&NAPM/USPS-T6-1, filed on December 10, 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



Scott L. Reiter

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December 18, 2001

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TAYMAN
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE

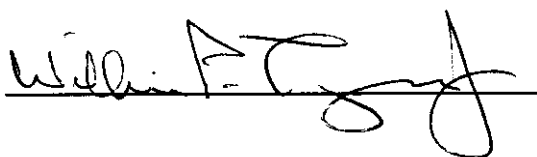
ABA&NAPM/USPS-T6-1 – In your response to OCA/USPS-T6-32, you state that, “There have been no TFP calculations made beyond FY 2002.” Does this mean that the test year calculations were made with the assumption that Postal Service productivity will not increase in 2003?

RESPONSE:

No. TFP is not an input to the calculation of the revenue requirement. The calculations required to determine the TFP growth implied by the test year estimates have not been done. However, given that test year estimates show little after-rates volume growth, substantial cost reductions, and negative net program growth, an increase in test year productivity is clearly implied.

DECLARATION

I, William P. Tayman, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

A handwritten signature in black ink, appearing to read "William P. Tayman", is written over a horizontal line.

Dated: 12/18/01

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.

A handwritten signature in black ink, appearing to read "Scott L. Reiter", is written over a horizontal line.

Scott L. Reiter

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