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

RECEIVED Jan 24 4 12 PN 102

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYO (USPS-T-36) TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 8, QUESTION 6

The United States Postal Service hereby provides witness Mayo's (USPS-T-36)

response to Presiding Officer's Information Request No. 8, Question 6. The Information

Request was issued January 9, 2002.

The question 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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David H. Rubin

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268-2986 Fax –6187 January 24, 2002

RESPONSE OF POSTAL SERVICE WITNESS MAYO (USPS-T-36) TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 8

QUESTION 6. Witness Patelunas, in his response to Presiding Officer's Information Request No. 6, question 8, implies that the costs reflected in the rollforward are for only the domestic transactions of registry, insurance, and money orders. The costs of the international transactions associated with these special services are included in the total costs of international mail. However, workpaper 11 of USPS-T-36 calculates cost coverages for registry, insurance, and money orders using total revenues that include the international transactions of the aforementioned special services. Please discuss why it is appropriate to calculate cost coverages for registry, insurance, and money orders with revenues that include international transactions and costs that do not include international transactions.

RESPONSE:

Appropriate cost coverages would be obtained by comparing the revenues without

international transactions with the costs. In prior proceedings, the costs included

international transactions, and therefore it was appropriate to calculate cost coverages

by comparing revenues that include international transactions to costs.

DECLARATION

I, Susan W. Mayo, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Susan W Mayo

Dated: TANNARY 24 2002

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.

Dowrd H. Rubin David H. Rubin

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 January 24, 2002