

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

EXPERIMENTAL PARCEL RETURNS SERVICES

Docket No. MC2003-2

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS JENNIFER EGGLESTON TO INTERROGATORIES OF
THE AMERICAN POSTAL WORKERS UNION, AFL-CIO (APWU/USPS-T2-1-4)

The United States Postal Service hereby files the response of witness Jennifer Eggleston to the following interrogatories of the American Postal Workers Union, AFL-CIO:

APWU/USPS-T2-1-4, filed on June 20, 2003.

The interrogatories are stated verbatim and are followed by the responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking

Brian M. Reimer
Attorney

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-3037; Fax -3084
June 26, 2003

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS EGGLESTON TO
INTERROGATORIES OF AMERICAN POSTAL WORKERS UNION, AFL-CIO

APWU/USPS-T2-1. Will every BMC be designated a RBMC? If not, please identify the RBMCs. Will any facilities other than BMCs be designated as RBMCs? If so, please identify those facilities. Assume that these parcel return services did not have participation limits or the time limits associated with experimental status, would you anticipate a different set of return facilities than the current set of RBMCs?

RESPONSE:

It is my understanding that Parcel Return Service (PRS) RBMC will be available at all 21 BMCs. It is further my understanding that the Postal Service has not yet determined which Auxiliary Service Facilities (ASFs), if any, might be included in the PRS RBMC experiment. Please see response to OCA/USPS-T2-4.

I do not know what impact expanding the experiment would have on the set of return facilities designated as RBMCs. However, I have been informed by witness Gullo that aside from exploring the possibility of extending the experiment to existing ASFs, there are currently no plans to add any other RBMC return facilities.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS EGGLESTON TO
INTERROGATORIES OF AMERICAN POSTAL WORKERS UNION, AFL-CIO

APWU/USPS-T2-2. Please refer to LR-J-64 in docket R2001-1. Please list and describe changes in parcel mail processing since completion of LR-J-64 and indicate any adjustments to your cost analysis to account for those changes. If you have not fully adjusted costs to account for these changes, please describe and quantify the impacts or potential impacts on costs.

RESPONSE:

It should be noted that the test year for Docket R2001-1 was FY 2003.

Therefore, the cost models produced in Docket R2001-1, LR-J-64 included the estimated effect of mail processing changes that were expected to occur in FY 2003. Nevertheless, I am not aware of any major differences between the test year Parcel Post mail processing assumptions used in Docket No. R2001-1, LR-J-64 and the current parcel mail processing environment. In general, my testimony is designed to provide witness Kiefer with cost savings estimates that are consistent with the cost estimates produced in Docket No. R2001-1, LR-J-64, so that he can develop discounts that have the same cost base as the underlying rates from which the discounts are subtracted.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS EGGLESTON TO
INTERROGATORIES OF AMERICAN POSTAL WORKERS UNION, AFL-CIO

APWU/USPS-T2-3. Please list and describe changes in the transportation network affecting the transportation of parcels since the parcel transportation costs for docket R2001-1 were determined and indicate any adjustments to your cost analysis to account for those changes. If you have not fully adjusted costs to account for these changes, please describe and quantify the impacts or potential impacts on costs.

RESPONSE:

I am not aware of any major differences between the Parcel Post transportation assumptions used in Docket No. R2001-1, LR-J-64, and the current Parcel Post transportation environment. In addition, please see my response to APWU/USPS-T2-2.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS EGGLESTON TO
INTERROGATORIES OF AMERICAN POSTAL WORKERS UNION, AFL-CIO

APWU/USPS-T2-4. Please list and describe parcel transportation changes planned or anticipated during the term of this proposed parcel return services experiment and indicate any adjustments to your cost analysis to account for those changes. If you have not fully adjusted costs to account for these changes, please describe and quantify the impacts or potential impacts on costs.

RESPONSE:

I am not aware of any major planned or anticipated changes to parcel transportation during the term of this proposed experiment. Therefore, there is no need to adjust the model to account for future changes.

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.

Brian M. Reimer

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-3037; Fax -3084
June 26, 2003