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

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POSTAL RATE COMA SCION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

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RESPONSE OF UNITED STATES POSTAL SERVICE TO INTERROGATORY OF UNITED PARCEL SERVICE REDIRECTED FROM WITNESS BRADLEY (UPS/USPS-T13-27(b))

The United States Postal Service hereby provides a response to the following interrogatory of United Parcel Service: UPS/USPS-T13-27(b), filed on August 25, 1997 and redirected from witness Bradley.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

M. Auch

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Susan M. Duchek

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2990; Fax –5402 September 8, 1997

RESPONSE OF UNITED STATES POSTAL SERVICE TO INTERROGATORIES OF UNITED PARCEL SERVICE (Redirected from Witness Bradley, USPS-T-13)

UPS/USPS-T13-27. Referring to pages 33 and 34 of your testimony, please provide responses to the following:

(b) Provide a complete summary of the terms and conditions under which the Postal Service contracts for plant-load transportation, including any differences in per-trip vs. annual contract specifications."

RESPONSE

Generally, plant loads have an undefined scheduled so we contract on an as-needed basis, soliciting for a per-trip rate. Per-trip contracts (account 53135) are temporary, which means the term of the contract is two years and the contract can be terminated with 30-days notice. At the time the solicitation is prepared, the Postal Service tries to gather historical information on volume movements and other relevant information, to determine contract specifications. A temporary contract can be renewed once, after which service must be terminated or replaced by a regular service contract.

A regular service plant load contract (account 53134) has a four year term. Cancellation during the term of the contract involves the payment of an indemnity to the contractor. All plant load contracts include a minimum and maximum number of trips.

Additional information on purchasing and operation of plant load service can be found in the Domestic Mail Manual and the Postal Operations Manual.

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.

Susan M. Duchek

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