

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Docket No. R97-1

POSTAL RATE AND FEE CHANGES, 1997

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS PATELUNAS TO
INTERROGATORIES OF DOUGLAS F. CARLSON REDIRECTED FROM
WITNESS LION (DFC/USPS-T24-1-2) AND MOTION FOR LATE ACCEPTANCE

The United States Postal Service hereby provides responses of witness Patelunas to the following interrogatories of Douglas F. Carlson: DFC/USPS-T24-1-2, filed on August 29, 1997 and redirected from witness Lion. While these responses are being filed within 14 days of receipt by the Postal Service, and filing at the Postal Rate Commission, they were mailed to the Postal Service on August 25, 1997, more than 14 days ago. If these responses are therefore late, the Postal Service moves for late acceptance. The Postal Service is sending these responses by Express Mail to Douglas F. Carlson.

Each 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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September 11, 1997

Response of United States Postal Service Witness Patelunas
to Interrogatories of
Douglas F. Carlson
(Redirected from Witness Lion USPS-T-24)

DFC/USPS-T24-1

Are the costs of delivering mail to post-office boxes lower than the costs of carrier or rural delivery? Please explain your answer.

DFC/USPS-T24-1 Response:

Although no similar presentation appears in Docket No. R97-1, I presented an analysis of this topic in Docket No. MC96-3. See my direct testimony, USPS-T-5, Appendix B. In that appendix, I develop the cost differences between post office box delivery and street delivery and under the assumptions in that appendix, the costs of delivering mail to post office boxes was lower than the costs of carrier or rural delivery. I have no reason to doubt the continuing existence of those relationships.

Response of United States Postal Service Witness Patelunas
to Interrogatories of
Douglas F. Carlson
(Redirected from Witness Lion USPS-T-24)

DFC/USPS-T24-2

Please identify the mechanism by which the costs of delivery to post-office boxes are reflected in the fees for post-office boxes. In doing so, please direct me to the appropriate portions of the Postal Service's direct case where I would find this information.

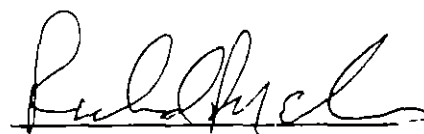
DFC/USPS-T24-2 Response:

The "costs of delivery to post office boxes" are not "reflected in the fees for post office boxes." The "costs of delivery to post office boxes" are borne by the classes of mail being delivered to those post office boxes. Specifically, if the "costs of delivery to post office boxes" are defined as "sorting mail to boxes", the costs are a portion of the costs shown in column (3.1), Mail Processing Direct Labor. The costs for Mail Processing Direct Labor (3.1) can be found in the following exhibits:

Fiscal Year 1997	USPS Exhibit-15B
Test Year 1998 Before Rates	USPS Exhibit-15E
Test Year 1998 After Rates	USPS Exhibit-15H.

DECLARATION

I, Richard Patelunas, declare under penalty of perjury that the foregoing answers to interrogatories are true and correct to the best of my knowledge, information, and belief.

A handwritten signature in cursive script, appearing to read "Richard Patelunas", written over a horizontal line.

Dated: 9/11/97

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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