

BEFORE THE  
POSTAL RATE COMMISSION

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

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POSTAL RATE AND FEE CHANGES, 1997

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DOCKET NO. R97-1

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FIRST SET OF INTERROGATORIES FROM UNITED PARCEL SERVICE  
TO UNITED STATES POSTAL SERVICE WITNESS DEGEN  
(UPS/USPS-T12-1 through 8)

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(September 17, 1997)

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby serves the following interrogatory and request for production of documents directed to United States Postal Service witness Degen (UPS/USPS-T12-1 through 8).

Respectfully submitted,



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John E. McKeever  
Albert P. Parker  
Stephanie Richman  
Attorneys for United Parcel Service

Schnader Harrison Segal & Lewis LLP  
1600 Market Street, Suite 3600  
Philadelphia, PA 19103-7286  
(215) 751-2200

and

1913 Eye Street, N.W., Suite 600  
Washington, D.C. 20006-2106  
(202) 463-2900

Of Counsel.

**INTERROGATORY OF UNITED PARCEL SERVICE  
TO UNITED STATES POSTAL SERVICE WITNESS DEGEN**

**UPS/USPS-T12-1.** Please refer to Table 4 on page 15 of your direct testimony and provide the exact source in USPS-T-14, Table 1, or derivation from sources in USPS-T-14, Table 1, or any other source(s) if necessary, for each of the variabilities in Table 4.

**UPS/USPS-T12-2.** Please confirm that changing the variable "VARB" in the SAS program MOD4DIST.SAS in LR-H-218 to equal 1.00 for each of the values of the variable "POOL" will result in 100 percent volume variable costs for MODS cost pools. If not confirmed, please explain.

**UPS/USPS-T12-3.** Please confirm that changing the variable "VARB" in the SAS program MOD4DIST.SAS in LR-H-218 to equal X.XX for each of the values of the variable "POOL" will result in X.XX percent volume variable costs for MODS cost pools. If not confirmed, please explain.

**UPS/USPS-T12-4.** Please confirm that changing the variable "VARB" in the SAS program BMC4.SAS in LR-H-218 to equal 1.00 for each of the values of the variable "POOL" will result in 100 percent volume variable costs for BMC cost pools. If not confirmed, please explain.

**UPS/USPS-T12-5.** Please confirm that changing the variable "VARB" in the SAS program BMC4.SAS in LR-H-218 to equal X.XX for each of the values of the

**INTERROGATORY OF UNITED PARCEL SERVICE  
TO UNITED STATES POSTAL SERVICE WITNESS DEGEN**

variable "POOL" will result in X.XX percent volume variable costs for BMC cost pools.

If not confirmed, please explain.

**UPS/USPS-T12-6.** Please confirm that changing the line "VCOSTS = DOLLAR\*GFY\*.786" to "VCOSTS = DOLLAR\*GFY" in the SAS program NONMOD4.SAS in LR-H-218 will result in 100 percent volume variable costs for non-MODS cost pools. If not confirmed, please explain.

**UPS/USPS-T12-7.** Please confirm that changing the line "VCOSTS = DOLLAR\*GFY\*.786" to "VCOSTS = DOLLAR\*GFY\*X.XX" in the SAS program NONMOD4.SAS in LR-H-218 will result in X.XX percent volume variable costs for non-MODS cost pools. If not confirmed, please explain.

**UPS/USPS-T12-8.** Are there BMCs that operate using MODS operation codes rather than PIRS operation codes? If your answer is other than an unqualified no, please indicate how these facilities are handled in LR-H-146/LR-H-218.

**CERTIFICATE OF SERVICE**

I hereby certify that I have this date served the foregoing document in accordance with section 12 of the Commission's Rules of Practice.

  
Stephanie Richman

Dated: September 17, 1997  
Philadelphia, Pa.