

DOCKET SECTION

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS DANIEL TO INTERROGATORY OF
THE OFFICE OF THE CONSUMER ADVOCATE
REDIRECTED FROM WITNESS DEGEN
(OCA/USPS-T12-43)

The United States Postal Service hereby provides the response of witness Daniel to the following interrogatory of the Office of the Consumer Advocate: OCA/USPS-T12-43, filed on September 9, 1997, and redirected from witness Degen.

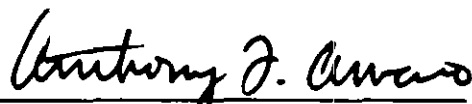
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


Anthony F. Alverno

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September 23, 1997

**RESPONSE OF U.S. POSTAL SERVICE WITNESS DANIEL TO
INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE
REDIRECTED FROM WITNESS DEGEN**

OCA/USPS-T12-43. Please refer to USPS-T-1, Exhibit USPS-1B, page 4, Docket No. MC93-1. In the column captioned "Volume Share," the following proportions were presented for Special Rate Fourth Class:

Intra-BMC	.2639
Inter-BMC	.6396
Inter-BMC, 1 transfer	.0927
Inter-BMC, 2 transfers	.0038

[Sum] [1.00]

- a. Is it reasonable to assume that these proportions are substantially the same for BY 1996?
- b. If not, why not? If this assumption is not reasonable, then please update the proportions presented above for BY 1996.
- c. Please present a similar set of proportions (summing to 1.00), by inter-BMC and intra-BMC groupings, for library rate mail for BY 1996.

RESPONSE:

- a. In Docket No. MC93-1, Parcel Post Inter-BMC and Intra-BMC proportions were used as proxies for Special Rate Fourth Class Mail. Since no other special study has been conducted, parcel post proportions are again used as proxies for Special Standard Mail for BY96; however, these proportions are not substantially the same as the ones used in MC93-1.
- b. Transfers, or transhipments, have been eliminated. Please see page 12 of my testimony. The relative proportions of Inter-BMC and Intra-BMC Parcel Post are used as a proxy for the proportion of Inter-BMC (80 percent) and Intra-BMC (20 percent) in the Special Standard Mail Models, as stated in Table 5 of Exhibit USPS-29F.
- c. As is the case for Special Standard Mail, a special study of the proportions by inter-BMC and intra-BMC groupings for Library subclass mail for BY 1996 has not been conducted for this proceeding.

DECLARATION

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


SHARON DANIEL

Dated: September 23, 1997

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.


Anthony F. Alvelho

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