

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 ALEXANDROVICH
TO INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE
REDIRECTED FROM WITNESS DEGEN
(OCA/USPS-T12-50(a)(ii) and (b))

The United States Postal Service hereby provides responses of witness Alexandrovich to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T12-50(a)(ii) and (b), filed on September 9, 1997 and redirected from witness Degen.

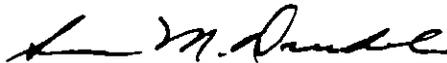
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


Susan M. Duchek

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September 23, 1997

Response of United States Postal Service Witness Alexandrovich
to
Interrogatories of OCA
(Redirected from Witness Degen, USPS-T12)

OCA/USPS-T12-50. Please refer to your response (September 2, 1997) to POIR No. 2, question 1.

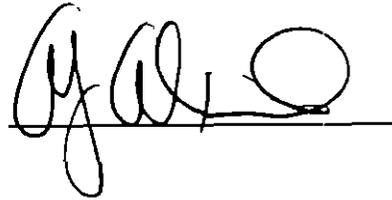
- a. Attachment 1 presents nominal Standard (B) Library rate (LR) unit costs. Show the derivation of the Segment 14 unit costs for each year, FY 1990 through FY 1996.
 - i. For each figure used in the derivation, provide a citation to source documents used and furnish copies of such documents if they are not already on file with the Commission.
 - ii. State which postal data systems generated the information used to derive the segment 14 unit costs.
- b. Present the same information requested in part a. (including subparts i. and ii.) of this interrogatory for each of the remaining cost segments in Attachment 1 (for LR mail).

Response to OCA/USPS-T12-50

- a.
 - i. Answered by witness Degen.
 - ii. The derivation of segment costs is detailed in the *Summary Description of USPS Development of Costs by Segments and Components* for each of the years mentioned. The data systems used to develop these costs are also cited in the *Summary Description*. To develop unit costs for Library Rate, annual volume variable costs for each segment are divided by the CRA volume for that year. The CRA volumes are developed using RPW.
- b. See (a)(i & ii).

DECLARATION

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

A handwritten signature in black ink, appearing to read 'Joe Alexandrovich', is written over a horizontal line.

Dated: 9/23/97

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.



Susan M. Duchek

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