

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 ADRA TO INTERROGATORY OF
THE FLORIDA GIFT FRUIT SHIPPERS ASSOCIATION
(FGFSA/USPS-T38-1)

The United States Postal Service hereby provides the response of witness Adra to the following interrogatory of the Florida Gift Fruit Shippers Association: FGFSA/USPS-T38-1, filed on September 16, 1997.

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



Scott L. Reiter

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September 29, 1997

**RESPONSE OF U.S. POSTAL SERVICE WITNESS ADRA TO
INTERROGATORIES OF FLORIDA GIFT FRUIT SHIPPERS ASSOCIATION**

FGFSA/USPS-T-38-1.

In your proposed rate design for the classes of mail covered by your testimony you propose an add-on of 2 cents per pound "to recover weight-related non-transportation costs".

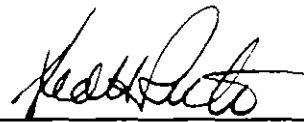
- a) Identify the specific costs which are included as "weight-related non-transportation costs".
- b) Identify any study which specifies and quantifies "weight-related non-transportation costs".
- c) Provide a complete explanation of the method you used to determine that 2 cents per pound is the proper amount to cover such costs.
- d) Provide a statement as to the amount of each costs for which the 2 cents per pound is designed to cover.
- e) Explain why the add-on is different for the several rate categories of Bound Printed Matter, as shown on page 8 of your testimony.

Response:

- a) Please see my answer to NAA/USPS-T38-1.
- b) I am not aware of any study that quantifies "weight-related non-transportation costs". The 2-cent per-pound add-on was first set by the Commission in Docket No. R84-1 (see PRC Op. at 581-582).
- c) I used the 2-cent per-pound add-on in accordance with PRC precedent. I had no rationale to deviate from it.
- d) Please refer to my workpaper USPS-T-38, WP-BPM14. This workpaper shows the amount of add-on costs that are intended to recover the weight-related non-transportation costs.
- e) Please see my answer to UPS/USPS-T38-1(a).

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.

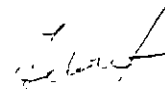
A handwritten signature in cursive script, appearing to read "Scott L. Reiter", is written over a horizontal line.

Scott L. Reiter

475 L'Enfant Plaza West, S.W.
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September 29, 1997

DECLARATION

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



Dated: 9-29-97