

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
TO INTERROGATORY OF UNITED PARCEL SERVICE
REDIRECTED FROM WITNESS MAYES
(UPS/USPS-T37-73)

The United States Postal Service hereby provides its response to the following interrogatory of United Parcel Service: UPS/USPS-T37-73, filed on September 16, 1997, and redirected from witness Mayes.

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



Scott L. Reiter

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September 30, 1997

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO UPS INTERROGATORIES
REDIRECTED FROM WITNESS MAYES

UPS/USPS-T37-73. Please refer to your response to UPS/USPS-T37-41 and the sections cited therein of Handbook PO-502, Container Methods.

- (a) Confirm that the date of this manual is September 1992.
- (b) Confirm that Postal Service policy regarding loans of pallets, OTRs, and other containers, including return of such containers to private mailers, has been modified since 1992 in connection with the Integrated Mail Handling System and other initiatives.
- (c) Please identify and describe all such changes in policies toward provision of containers to private mailers, including internal policies and guidelines making such containers available to private mailers in connection with work sharing programs.
- (d) Please provide estimates of the Test Year and Base Year cost of mail transport equipment (MTE) loaned to private mailers, and include details on the inventory of such MTE by type, its cost, and estimates of depreciation and maintenance costs associated with this equipment.
- (e) Please explain how the costs of MTE loaned to DBMC mailers as identified in your answer to (d) above, are accounted for in your analysis of DMBC costs and proposed rates.

Response:

- (a) Confirmed.
- (b) Not confirmed.
- (c) Not applicable. The policy regarding the loan of equipment to mailers remains essentially the same. The Postal Service will provide pallets, sacks and trays to mailers for purposes of transporting mail, but other equipment is not loaned except on a local basis. At the discretion of local management, rolling stock may be provided to mailers for local use.
- (d) Such data is not available.

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(e) MTE costs are distributed to class and subclass according to cost

Component 35, Mail Processing Direct Labor. They are not distributed to
DBMC directly.

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", written in black ink.

Scott L. Reiter

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