

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

POSTAL RATE AND FEE CHANGES
PURSUANT TO PUBLIC LAW 108-18

Docket No. R2005-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ALENIER
TO INTERROGATORY OF DOUGLAS CARLSON (DFC/USPS-T33-1)
(May 31, 2005)

The United States Postal Service hereby provides the response of witness Alenier to the following interrogatory of Douglas Carlson, filed on May 17, 2005:
DFC/USPS-T33-1.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking

Eric P. Koetting

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2992, FAX -3084
May 31, 2005

**RESPONSE OF POSTAL SERVICE WITNESS ALENIER
TO CARLSON INTERROGATORY**

DFC/USPS-T33-1. Please refer to your testimony at pages 17 and 18. Please define “piggyback factors.”

RESPONSE:

Please refer to USPS-T-13 (Smith), page 47, lines 12-17. For your convenience, it is reproduced here:

Generally, piggyback factors are ratios of total volume variable cost to volume variable labor cost for specific functions or operations (e.g. city carriers or OCRs). Total costs, contained in the numerator, include labor, supervisor, administrative, service-wide benefits, facility-related and equipment-related costs. Labor costs, in the denominator, are all non-supervisory, non-administrative labor cost associated with the function or operation.

For a description of the use of piggyback costs, see pp. 47-57 of USPS-T-13.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

Eric P. Koetting

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2992, FAX: -5402
May 31, 2005