

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 NIETO TO INTERROGATORIES OF
THE AMERICAN BUSINESS PRESS
REDIRECTED FROM WITNESS BRADLEY
(ABP/USPS-T13-7(B), 10(B)-(D), 17(C)-(D))

The United States Postal Service hereby provides responses of witness Nieto to the following interrogatories of the American Business Press: ABP/USPS-T13-7(b), 10(b)-(d), 17(c)-(d), filed on September 17, 1997, and redirected from witness Bradley.

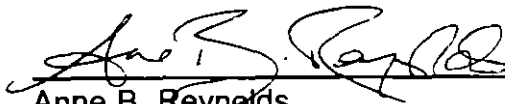
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


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October 1, 1997

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ABP/USPS-T13-7

Your testimony on p. 9 states that, since Docket R87-1, USPS has tried to direct First-class mail from air transportation to surface transportation when feasible.

[a] Confirm and explain why, in FY 1995, highway costs for First-class were about 43% of the cost of domestic air; and in 1996, surface First-class was 62% of domestic air costs for first-class mail.

[b] When USPS buys surface purchased transportation used by First-class mail, does it utilize space in trucks or trailers also utilized by periodicals or standard mail?

[c] Does first-class mail have priority over periodical mail in the following examples of purchased transportation:

[1] more direct routing to destination SCF?

[2] more stops to pickup or unload mail?

[3] priority in being loaded into a truck leaving a facility at which there is also periodical mail ready to be trucked out of the facility at the same time or even before the first-class volume is processed for shipment to an identical destination as the periodicals

Response to ABP/USPS-T13-7.

[a] Answered by witness Alexandrovich.

[b] The Postal Service does not buy surface transportation individually for different classes of mail. To the extent that both First-Class mail and periodicals and standard mail travel between the same facilities, then they will likely share space on purchased surface transportation. The TRACS distribution keys indicated that almost all classes of mail can be found on all types (intra-SCF, inter-SCF, intra-BMC, and inter-BMC) of highway transportation to varying degrees.

[c] Answered by the Postal Service.

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ABP/USPS-T13-10

[a] Did "the addition of more volume" to the existing network (p.9) in connection with First-class mail since R87-1 cause the significant annual increases in highway contract accounts?

[b] How much (in pounds and pieces) did First-class mail (letters, presort letters, postal cards) use purchased highway transportation in FY 1987? How much in FY 1996?

[c] How much did second-class regular rate volume (in pounds and pieces) use purchased highway transportation in FY 1987? In FY 1996?

[d] How much did second-class outside the county volume (pounds and pieces) use purchased highway transportation in FY 1987? In FY 1996? (Outside the county means all regular rate, classroom, and nonprofit subclasses.)

Response to ABP/USPS-T13-10.

[a] Answered by witness Bradley.

[b] This information is not available. Please refer to the response to FGFS/USPS-T13-11.

[c] This information is not available. Please refer to the response to FGFS/USPS-T13-11.

[d] This information is not available. Please refer to the response to FGFS/USPS-T13-11.

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ABP/USPS-T13-17

[a] Please explain and elaborate upon your statement on p.37 as follows:

“Not surprisingly the cost per cubic-foot-mile is also much smaller for the tractor trailer contract cost segments in both accounts” (inter-SCF and intra-SCF.)

[b] Confirm and explain why the cost per CFM for inter-SCF trailers is \$903 per CFM less than intra-SCF vans and \$683 per CFM less than inter-SCF vans.

[c] Identify by subclass the volume (in pounds) per year of mail that travels in inter-SCF straight body trucks as compared with the volume by subclass that travels in inter-SCF tractor trailers.

[d] Please substitute inter-BMC for inter-SCF for question [c] above, and provide the same kind of information requested.

Response to ABP/USPS-T13-17.

[a] Answered by witness Bradley.

[b] Answered by witness Bradley.

[c] This information is not available. Please refer to the response to FGFS/USPS-T13-11.

[d] This information is not available. Please refer to the response to FGFS/USPS-T13-11.

DECLARATION

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

Norma B Nieto

Dated: Oct. 1, 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.



Anne B. Reynolds

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