

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 MAYES TO INTERROGATORY OF
DAVID B. POPKIN
REDIRECTED FROM THE POSTAL SERVICE
(DBP/USPS-82)**

The United States Postal Service hereby provides the response of witness Mayes to the following interrogatory of David B. Popkin: DBP/USPS-82, filed on October 7, 1997, and redirected from the Postal Service.

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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October 21, 1997

RESPONSE OF POSTAL SERVICE WITNESS MAYES TO DBP INTERROGATORIES
REDIRECTED FROM THE POSTAL SERVICE

DBP/USPS-82. Your response to DBP/USPS-47 did not explain why, since there were lower costs for the higher zones, that this did not result in lower rates [rather than no change in rates as is being proposed] for the higher zones.

Response:

DBP/USPS-47 asked, "If the total transportation costs were the same and the reallocation resulted in higher costs for the lower zones, why didn't they result in lower costs for the upper zones?" [Emphasis added.] Witness Hatfield's response correctly indicated that the analysis contained in his testimony did result in lower unit transportation cost estimates for the upper zones. For the reasons that the lower transportation cost estimates for the upper zones did not translate into rate decreases for the upper zones, please refer to my response to UPS/USPS-T37-37(b), and to the transcript at 8/4259-60. Please also refer to my response to your interrogatory DBP/USPS-43[c].

DECLARATION

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


Virginia J. Mayes

Dated:

10-20-97

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.

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

Scott L. Reiter

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