

DOCKET SECTION

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

RECEIVED

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY
Docket No. R97-1

POSTAL RATE AND FEE CHANGES, 1997

RESPONSE OF UNITED STATES POSTAL SERVICE TO INTERROGATORIES OF
MCGRAW-HILL COMPANIES
(MH/USPS-1 AND 2)

The United States Postal Service hereby provides responses to the following interrogatories of McGraw-Hill Companies: MH/USPS-1 and 2, filed on October 10, 1997. A motion for late acceptance of these responses is being filed separately.


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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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October 28, 1997

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO INTERROGATORIES
OF MCGRAW HILL

MH/USPS-1: With reference to the September 30, 1997 response to MH/USPS-T2-1 (redirected from witness Nieto to witness Patelunas) that "[e]xamination of the BY 1995 and BY 1996 costs indicates that a shift has occurred in the use of highway transportation by Periodicals":

- (a) Please explain fully the nature of the shift;
- (b) Please explain fully all operational and other factors that would explain what caused the shift;
- (c) Please provide any and all written analyses and other documents that (in whole or part) address the shift or are otherwise material to your answers to this interrogatory.

RESPONSE

(a) The nature of the shift is further explained in the responses to MH/USPS-T2-1 and ABP/USPS-T15-9, and in USPS-T-5, Workpaper B, Worksheet 14.

(b) The Postal Service has not performed an analysis of how changes in operations may have effected transportation costs for Periodicals mail. A contributing factor, although not an operational one, could be variation in the statistical estimates produced by TRACS.

(c) No such analyses or documents exist.

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO INTERROGATORIES
OF MCGRAW HILL

MH/USPS-2: With reference to the September 30, 1997 response to MH/USPS-T2-2 (redirected from witness Nieto to witness Patelunas):

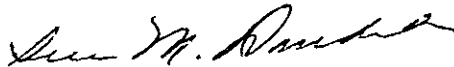
- (a) Please explain fully all operational and other reasons why Periodicals mail receives air transportation, as opposed to surface transportation;
- (b) Please explain fully all operational and other factors that would explain what has caused the fluctuation in domestic purchased air transportation costs attributed to Periodicals (second-class) mail since FY 1994.
- (c) Please provide any and all statements of operational policy written analyses, and other documents that (in whole or part) are material to your answers to his interrogatory.

RESPONSE

- (a) Please see the response to ABP/USPS-T15-7(d).
- (b) The Postal Service is unaware of how operational or other factors may have caused the fluctuation in domestic purchased air transportation. However, part of the observed changes in costs may be the result of changes in the usage of purchased transportation by either Periodicals or other categories of mail. Also, as discussed in response to ABP/USPS-T15-2, statistical variation in the TRACS distribution keys may also be a contributing factor.
- (c) No such analyses or documents exist.

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.



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