

**BEFORE THE
POSTAL RATE COMMISSION**

POSTAL RATE AND FEE CHANGES, 2006

DOCKET NO. R2006-1

**RESPONSE OF UNITED PARCEL SERVICE WITNESS LUCIANI
TO INTERROGATORY OF UNITED STATES POSTAL SERVICE
(USPS/UPS-T2-13)
(October 18, 2006)**

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby files the response of UPS witness Ralph Luciani to the following interrogatory of the United States Postal Service: USPS/UPS-T2-13.

Respectfully submitted,

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USPS/UPS-T2-13. On lines 5 to 15 of page 8 of your testimony you criticize certain cost model inputs based on the age of the data. For each of those inputs, please (a) identify any changes in parcel processing operations at the BMCs that you believe would have had an impact on the input, and (b) identify how those identified changes should have impacted the input.

RESPONSE:

I am not specifically aware of operational changes that may have impacted the data listed. But, for example, it would be surprising if there have been no changes in BMC arrival profiles and the percent of parcels with direct transportation from the BMC to the DDU since 1996. Moreover, Postal Service witness McCrery (USPS-T-42 at p. 23-24) discusses the implementation of upgrades to Parcel Sorter Machines at two BMCs and the deployment of new singulation/induction equipment at 19 BMCs. My point is simply that 10-year old data should be scrutinized for continued applicability.