

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 THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5
ITEMS 15-16
(November 6, 1997)

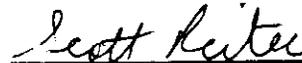
The United States Postal Service hereby provides its response to the above items of Presiding Officer's Information Request No. 5, issued November 6, 1997. The questions are stated verbatim and are followed by the answers, with the declaration from the witness.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Scott L. Reiter *EB*

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Washington, D.C. 20260-1137
(202) 268-2999; Fax -5402
November 28, 1997

**RESPONSE OF WITNESS TAYMAN TO PRESIDING OFFICER
INFORMATION REQUEST NO. 5**

15. Please provide all workpapers showing formulae and calculations for the cash flow forecasts for FY 1997, Test Year Before Rates, and the Test Year After Rates as shown in USPS Exhibit 9-F, revised 9/04/97. If the workpapers are on a spreadsheet or other computerized format, please provide the workpapers on a diskette or a CD-ROM.

RESPONSE:

The spreadsheets used to calculate the cash flows shown in USPS Exhibit 9-F, revised 9/4/97, are provided as Library Reference H-310.

**RESPONSE OF WITNESS TAYMAN TO PRESIDING OFFICER
INFORMATION REQUEST NO. 5**

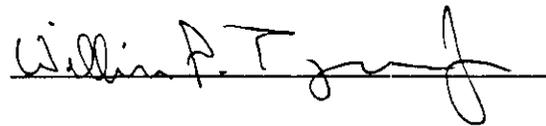
16. Please provide all workpapers showing formulae and calculations for the estimates of investment income for FY 1997, Test Year Before Rates, and Test Year After Rates as shown in USPS Exhibit 9-G. The workpapers should show the derivation of the estimated average investment balance and how these estimates are tied to the estimates of the estimated cash flows. If the workpapers are on a spreadsheet or other computerized format, please provide the workpapers on a diskette or a CD-ROM.

RESPONSE:

The spreadsheets used to calculate the investment income shown in USPS Exhibit 9-G are provided as Library Reference H-310.

DECLARATION

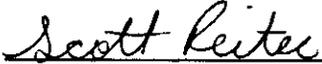
I, William P. Tayman, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

A handwritten signature in black ink, appearing to read "William P. Tayman", written over a horizontal line.

Dated: 11/28/97

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.



Scott L. Reiter *EB*

475 L'Enfant Plaza West, S.W.
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November 28, 1997