

DOCKET SECTION

UNITED STATES OF AMERICA
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268

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POSTAL RATE COMMISSION
OFFICE OF THE PRESIDENT

Postal Rate and Fee Changes

Docket No. R97-1

PRESIDING OFFICER'S INFORMATION REQUEST NO. 18

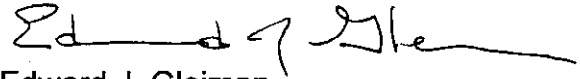
(April 2, 1998)

The Postal Service is requested to provide the information described below to assist in developing a record for the consideration of its request for changes in rates and fees. In order to facilitate inclusion of the requested material in the evidentiary record, the Postal Service is to have a witness attest to the accuracy of the answers and be prepared to explain to the extent necessary the basis for the answers. The answers are to be provided within 7 days.

Postal Service witness O'Hara shows percentage changes in proposed rates in Exhibit USPS-30D. For all subclasses of mail except Standard (A), the Postal Service calculates the percentage change in rates by comparing before rate revenue per piece with after rate revenue per piece. However, for Standard (A) Mail, the percentage change in rates is apparently calculated using a fixed weight index method that utilizes before rates volume forecasts (USPS-T-36, Workpaper 1, pages 27 and 28, and Workpaper 2, pages 37 and 38).

1. Please confirm that a different methodology for calculating percentage changes in rates was used for Standard (A) than for all other subclasses of mail.
2. If confirmed, please explain why a different approach was used for Standard (A) compared to all other subclasses of mail.

3. Please provide a table comparing the results using both methods for Standard (A).

A handwritten signature in black ink, appearing to read "Edward J. Gleiman". The signature is stylized with a long horizontal line extending to the right.

Edward J. Gleiman
Presiding Officer