

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

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POSTAL RATE AND FEE CHANGES, 2000

POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY  
Docket No. R2000-1

REVISED RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE  
(OCA/USPS-106(a&b)) (ERRATUM)

The United States Postal Service hereby provides its revised responses to  
OCA/USPS-106(a&b).

The original responses to these interrogatories were filed on April 17, 2000.  
During cross-examination of witness Fronk on April 26, 2000, by the Office of the  
Consumer Advocate, it was revealed that columns of "GFY 1998" data on pages 1-3  
and 10-15 of Attachment to the responses to OCA/USPS-106(a&b) were inadvertently  
identified as relating to "GFY 1999". To minimize any confusion about the contents of  
those pages of the Attachment, the Postal Service files these revised responses to  
OCA/USPS-106(a&b), which correctly identify the GFY 1998 data.

This revised responses to OCA/USPS-106(a&b) filed today supersede the  
original responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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May 3, 2000

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**FIRST CLASS SINGLE-PIECE LETTERS, FLATS, AND IPPs  
GFY 1998**

<u>Short Paid Amount/Pc</u>	<u>GFY 1998 Volume</u>	<u>Short Paid Revenue</u>
\$0.010	3,293,519	32,934
\$0.110	789,451	86,767
\$0.120	17,343,861	2,081,260
\$0.130	1,781,599	231,287
\$0.220	1,193,522	262,526
\$0.230	260,917,811	60,011,087
\$0.320	41,152,056	13,168,352
\$0.330	782,404	258,166
\$0.440	146,885	64,629
\$0.460	13,906,089	6,396,801
\$0.660	92,563	61,092
\$0.690	4,224,167	2,914,675
\$0.880	371,877	327,251
\$0.920	2,012,346	1,851,358
Varies	136,695,735	33,301,791
	<b>484,703,885</b>	<b>121,049,976</b>

<u>Over Paid Amount/Pc</u>	<u>GFY 1998 Volume</u>	<u>Over Paid Revenue</u>
\$0.090	247,611,219	22,285,010
\$0.110	14,648,662	1,611,384
\$0.220	4,768,490	1,049,067
\$0.230	442,100,507	101,683,200
\$0.310	2,075,658	643,455
\$0.320	131,493,217	42,077,829
\$0.330	912,231	301,101
\$0.440	98,200	43,208
\$0.460	24,810,484	11,412,815
\$0.660	361,090	238,320
\$0.690	4,969,068	3,428,657
\$0.880	25,714	22,628
\$0.920	3,082,695	2,836,080
Varies	292,014,592	101,994,977
	<b>1,168,971,827</b>	<b>289,627,731</b>

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**FIRST CLASS SINGLE-PIECE NONSTANDARD LETTERS, FLATS, AND IPPs  
GFY 1998**

<b><u>Short Paid Amount/Pc</u></b>	<b><u>GFY 1998 Volume</u></b>	<b><u>Short Paid Revenue</u></b>
\$0.110	27,541,412	3,029,556
Varies	2,742,263	284,016
	<b>30,283,675</b>	<b>3,313,572</b>

<b><u>Over Paid Amount/Pc</u></b>	<b><u>GFY 1998 Volume</u></b>	<b><u>Over Paid Revenue</u></b>
\$0.110	61,501	6,748
\$0.120	55,093,908	6,611,268
\$0.210	16,766,700	3,521,007
\$0.220	428,071	94,176
Varies	15,617,173	4,958,216
	<b>87,967,353</b>	<b>15,191,415</b>

**RESPONSE OF UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**FIRST CLASS SINGLE-PIECE CARDS  
GFY 1998**

<b><u>Short Paid Amount/Pc</u></b>	<b><u>GFY 1998 Volume</u></b>	<b><u>Short Paid Revenue</u></b>
\$0.200	1,796,077	359,149
Varies	2,607,386	60,483
	<b>4,403,463</b>	<b>419,632</b>

<b><u>Over Paid Amount/Pc</u></b>	<b><u>GFY 1998 Volume</u></b>	<b><u>Over Paid Revenue</u></b>
\$0.120	146,037,655	17,524,519
\$0.130	96,279	12,516
Varies	26,681,267	1,456,707
	<b>172,815,201</b>	<b>18,993,742</b>

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**FIRST CLASS SINGLE-PIECE LETTERS  
GFY 1999**

<u>Short Paid Amount/Pc</u>	<u>GFY 1999 Volume</u>	<u>Short Paid Revenue</u>
\$0.010	238,655,560	2,386,556
\$0.110	10,918,859	1,201,215
\$0.120	4,828,382	579,774
\$0.130	8,676,585	1,127,657
\$0.220	121,285,728	26,682,939
\$0.230	48,330,269	11,115,908
\$0.320	13,889,049	4,443,729
\$0.330	22,042,286	7,273,581
\$0.440	3,944,733	1,735,683
\$0.460	794,939	365,672
\$0.660	711,164	469,368
\$0.690	140,153	96,705
\$0.880	158,682	139,640
\$0.920	12,966	11,929
Varies	67,070,788	7,660,704
	<b>541,460,143</b>	<b>65,291,060</b>

<u>Over Paid Amount/Pc</u>	<u>GFY 1999 Volume</u>	<u>Over Paid Revenue</u>
\$0.090	49,082,590	4,417,492
\$0.110	111,315,931	12,244,752
\$0.220	218,567,588	48,084,869
\$0.230	77,499,382	17,824,858
\$0.310	41,292,681	12,800,686
\$0.320	41,896,597	13,406,911
\$0.330	85,255,865	28,134,436
\$0.440	16,777,487	7,382,094
\$0.460	2,885,917	1,327,522
\$0.660	5,137,125	3,390,503
\$0.690	215,814	148,912
\$0.880	429,242	377,733
\$0.920	483,067	444,422
Varies	161,898,415	38,971,632
	<b>812,737,701</b>	<b>188,956,822</b>

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**FIRST CLASS SINGLE-PIECE FLATS  
GFY 1999**

<u>Short Paid Amount/Pc</u>	<u>GFY 1999 Volume</u>	<u>Short Paid Revenue</u>
\$0.010	1,462,847	14,628
\$0.110	15,887,212	1,747,538
\$0.120	2,019,988	242,399
\$0.130	1,340,316	174,241
\$0.220	54,954,698	12,090,034
\$0.230	19,325,966	4,444,972
\$0.320	198,487	63,516
\$0.330	3,990,664	1,316,919
\$0.440	6,709,434	2,952,151
\$0.460	2,622,608	1,206,400
\$0.660	2,733,577	1,804,160
\$0.690	969,608	669,030
\$0.880	1,333,210	1,173,221
\$0.920	471,514	433,793
Varies	43,148,051	18,731,113
	<b>157,168,180</b>	<b>47,064,115</b>

<u>Over Paid Amount/Pc</u>	<u>GFY 1999 Volume</u>	<u>Over Paid Revenue</u>
\$0.090	22,310,065	2,007,906
\$0.110	51,541,901	5,669,636
\$0.220	113,439,169	24,956,617
\$0.230	46,168,695	10,618,800
\$0.310	1,054,651	326,942
\$0.320	1,938,655	620,370
\$0.330	8,426,026	2,780,589
\$0.440	19,983,865	8,792,874
\$0.460	4,080,345	1,876,959
\$0.660	4,718,247	3,114,043
\$0.690	1,590,964	1,097,765
\$0.880	2,401,341	2,113,180
\$0.920	657,912	605,279
Varies	161,159,865	41,756,505
	<b>439,471,701</b>	<b>106,337,465</b>

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE  
(REVISED 5/3/2000)**

**OCA/USPS-106** Please refer to the response to OCA/USPS-69.

- (a) Please provide the same information for GFY 1998.
- (b) Please provide the information requested in OCA/USPS-69 and in part (a) of this interrogatory by shape - i.e., letters, flats, parcels.
- (c) Please confirm that the Postal Service earns additional revenue on nonstandard single-piece First Class Letters of approximately 50 percent of the revenue it would earn if all pieces paid proper postage (net overpayments of \$21.5 million versus approximately \$41.8 million if \$380 million pieces paid \$0.11). If you do not confirm, please provide the correct percentages and derivations for GFYs 1998 and 1999.
- (d) Is net overpayment of all First Class postage included in the Postal Service's test year revenue calculations? If so, where?

**RESPONSE:**

- (a) See revised Attachments 1-3.
- (b) See Attachments 4-9 for GFY 1999 and revised Attachments 10-15 for GFY 1998.
- (c) Not confirmed. For First-Class nonstandard letters, the percentages are calculated as follows:

	GFY 98	GFY 99
Total Nonstd Letter Vol	64,552,853	72,673,950
Nonstd Surcharge	\$0.11	\$0.11
Total Nonstd Postage	\$7,100,814	\$7,994,135
Overpaid Revenue	\$2,536,236	\$2,012,692
Shortpaid Revenue	\$595,337	\$743,888
Net Over/Shortpaid	\$1,940,899	\$1,268,804
Net Revenue/ Total Nonstd Postage	27.33%	15.87%

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**FIRST CLASS SINGLE-PIECE IPPs  
GFY 1999**

<b><u>Short Paid Amount/Pc</u></b>	<b><u>GFY 1999 Volume</u></b>	<b><u>Short Paid Revenue</u></b>
\$0.010	189,552	1,896
\$0.110	828,612	91,147
\$0.120	157,764	18,932
\$0.130	78,327	10,183
\$0.220	5,954,328	1,309,952
\$0.230	2,312,991	531,988
\$0.320	18,170	5,814
\$0.330	333,995	110,218
\$0.440	854,213	375,854
\$0.460	354,897	163,253
\$0.660	345,786	228,218
\$0.690	138,736	95,728
\$0.880	184,605	162,453
\$0.920	90,024	82,822
Varies	5,447,540	3,086,479
	<b>17,289,540</b>	<b>6,274,937</b>

<b><u>Over Paid Amount/Pc</u></b>	<b><u>GFY 1999 Volume</u></b>	<b><u>Over Paid Revenue</u></b>
\$0.090	1,646,084	148,148
\$0.110	4,206,671	462,734
\$0.220	12,740,856	2,802,988
\$0.230	5,382,156	1,237,895
\$0.310	121,252	37,588
\$0.320	165,583	52,987
\$0.330	1,063,336	350,901
\$0.440	1,981,304	871,774
\$0.460	369,293	169,875
\$0.660	580,417	383,076
\$0.690	166,565	114,930
\$0.880	228,385	200,979
\$0.920	66,796	61,453
Varies	17,449,333	6,322,453
	<b>46,168,031</b>	<b>13,217,781</b>



**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**FIRST CLASS SINGLE-PIECE NONSTANDARD LETTERS  
GFY 1999**

<b><u>Short Paid Amount/Pc</u></b>	<b><u>GFY 1999 Volume</u></b>	<b><u>Short Paid Revenue</u></b>
\$0.110	6,460,773	710,685
Varies	833,292	33,203
	<b>7,294,065</b>	<b>743,888</b>

<b><u>Over Paid Amount/Pc</u></b>	<b><u>GFY 1999 Volume</u></b>	<b><u>Over Paid Revenue</u></b>
\$0.110	2,249,513	247,446
\$0.120	1,989,977	238,797
\$0.210	1,319,547	277,105
\$0.220	2,082,147	458,072
Varies	3,709,546	791,272
	<b>11,350,730</b>	<b>2,012,692</b>

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**FIRST CLASS SINGLE-PIECE NONSTANDARD FLATS  
GFY 1999**

<u>Short Paid Amount/Pc</u>	<u>GFY 1999 Volume</u>	<u>Short Paid Revenue</u>
\$0.110	31,398,905	3,453,835
Varies	6,323,306	423,882
	<b>37,722,211</b>	<b>3,877,717</b>

<u>Over Paid Amount/Pc</u>	<u>GFY 1999 Volume</u>	<u>Over Paid Revenue</u>
\$0.110	49,454,573	5,440,003
\$0.120	16,019,952	1,922,394
\$0.210	3,117,021	654,574
\$0.220	9,769,273	2,149,240
Varies	15,635,034	6,275,286
	<b>93,995,853</b>	<b>16,441,497</b>

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**FIRST CLASS SINGLE-PIECE NONSTANDARD IPPs  
GFY 1999**

<u>Short Paid Amount/Pc</u>	<u>GFY 1999 Volume</u>	<u>Short Paid Revenue</u>
\$0.110	1,678,815	184,670
Varies	369,619	11,076
	<b>2,048,434</b>	<b>195,746</b>

<u>Over Paid Amount/Pc</u>	<u>GFY 1999 Volume</u>	<u>Over Paid Revenue</u>
\$0.110	1,792,914	197,221
\$0.120	571,705	68,605
\$0.210	580,501	121,905
\$0.220	962,524	211,755
Varies	6,852,572	5,633,218
	<b>10,760,216</b>	<b>6,232,704</b>

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**FIRST CLASS SINGLE-PIECE LETTERS  
GFY 1998**

<b><u>Short Paid Amount/Pc</u></b>	<b><u>GFY 1998 Volume</u></b>	<b><u>Short Paid Revenue</u></b>
\$0.010	967,896	9,678
\$0.110	522,140	57,376
\$0.120	11,595,767	1,391,492
\$0.130	998,611	129,502
\$0.220	523,441	115,108
\$0.230	184,260,189	42,379,843
\$0.320	40,892,752	13,085,377
\$0.330	122,080	40,286
\$0.440	773	340
\$0.460	3,902,324	1,795,069
\$0.660	9	6
\$0.690	320,484	221,134
\$0.880	331	291
\$0.920	269,302	247,758
Varies	70,138,969	8,978,292
	<b>314,515,068</b>	<b>68,451,552</b>

<b><u>Over Paid Amount/Pc</u></b>	<b><u>GFY 1998 Volume</u></b>	<b><u>Over Paid Revenue</u></b>
\$0.090	180,338,205	16,230,438
\$0.110	8,541,406	939,586
\$0.220	591,325	130,090
\$0.230	287,361,639	66,093,285
\$0.310	63,027	19,539
\$0.320	126,827,029	40,584,649
\$0.330	490,531	161,940
\$0.440	721	317
\$0.460	11,524,314	5,301,184
\$0.660	251,624	166,072
\$0.690	1,442,103	995,051
\$0.880	9,631	8,475
\$0.920	1,535,965	1,413,088
Varies	142,728,212	48,863,552
	<b>761,705,732</b>	<b>180,907,266</b>

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**FIRST CLASS SINGLE-PIECE FLATS  
GFY 1998**

<u>Short Paid Amount/Pc</u>	<u>GFY 1998 Volume</u>	<u>Short Paid Revenue</u>
\$0.010	2,073,520	20,735
\$0.110	232,748	25,598
\$0.120	5,517,483	662,098
\$0.130	536,544	69,747
\$0.220	608,636	133,900
\$0.230	68,753,190	15,813,225
\$0.320	188,674	60,376
\$0.330	602,785	198,892
\$0.440	142,460	62,682
\$0.460	8,996,408	4,138,348
\$0.660	83,313	54,987
\$0.690	3,511,304	2,422,800
\$0.880	296,480	260,902
\$0.920	1,396,405	1,284,692
Varies	59,182,598	21,279,208
	<b>152,122,548</b>	<b>46,488,190</b>

<u>Over Paid Amount/Pc</u>	<u>GFY 1998 Volume</u>	<u>Over Paid Revenue</u>
\$0.090	62,076,162	5,586,855
\$0.110	5,829,046	641,195
\$0.220	3,574,080	786,298
\$0.230	139,430,871	32,069,076
\$0.310	1,717,818	532,524
\$0.320	4,289,201	1,372,544
\$0.330	360,454	118,950
\$0.440	86,849	38,214
\$0.460	12,154,419	5,591,026
\$0.660	96,607	63,761
\$0.690	3,212,748	2,216,796
\$0.880	11,947	10,513
\$0.920	1,399,681	1,287,707
Varies	131,501,470	46,722,723
	<b>365,741,353</b>	<b>97,038,182</b>

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**FIRST CLASS SINGLE-PIECE IPPs  
GFY 1998**

<u>Short Paid Amount/Pc</u>	<u>GFY 1998 Volume</u>	<u>Short Paid Revenue</u>
\$0.010	252,103	2,521
\$0.110	34,563	3,793
\$0.120	230,611	27,670
\$0.130	246,444	32,038
\$0.220	61,445	13,518
\$0.230	7,904,432	1,818,019
\$0.320	70,630	22,599
\$0.330	57,539	18,988
\$0.440	3,652	1,607
\$0.460	1,007,357	463,384
\$0.660	9,241	6,099
\$0.690	392,379	270,741
\$0.880	75,066	66,058
\$0.920	346,639	318,908
Varies	7,374,168	3,044,291
	<b>18,066,269</b>	<b>6,110,234</b>

<u>Over Paid Amount/Pc</u>	<u>GFY 1998 Volume</u>	<u>Over Paid Revenue</u>
\$0.090	5,196,852	467,717
\$0.110	278,210	30,603
\$0.220	603,085	132,679
\$0.230	15,307,997	3,520,839
\$0.310	294,813	91,392
\$0.320	376,987	120,636
\$0.330	61,246	20,211
\$0.440	10,630	4,677
\$0.460	1,131,751	520,605
\$0.660	12,859	8,487
\$0.690	314,217	216,810
\$0.880	4,136	3,640
\$0.920	147,049	135,285
Varies	17,784,910	6,408,702
	<b>41,524,742</b>	<b>11,682,283</b>

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**FIRST CLASS SINGLE-PIECE NONSTANDARD LETTERS  
GFY 1998**

<u>Short Paid Amount/Pc</u>	<u>GFY 1998 Volume</u>	<u>Short Paid Revenue</u>
\$0.110	4,955,500	545,105
Varies	770,329	50,232
	<b>5,725,829</b>	<b>595,337</b>

<u>Over Paid Amount/Pc</u>	<u>GFY 1998 Volume</u>	<u>Over Paid Revenue</u>
\$0.110	3,505	368
\$0.120	5,651,627	678,195
\$0.210	3,966,860	833,041
\$0.220	0	0
Varies	4,527,520	1,024,632
	<b>14,149,512</b>	<b>2,536,236</b>

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

**FIRST CLASS SINGLE-PIECE NONSTANDARD FLATS  
GFY 1998**

<b><u>Short Paid Amount/Pc</u></b>	<b><u>GFY 1998 Volume</u></b>	<b><u>Short Paid Revenue</u></b>
\$0.110	21,615,197	2,377,672
Varies	1,924,679	227,685
	<b>23,539,876</b>	<b>2,605,357</b>

<b><u>Over Paid Amount/Pc</u></b>	<b><u>GFY 1998 Volume</u></b>	<b><u>Over Paid Revenue</u></b>
\$0.110	57,996	6,380
\$0.120	46,864,186	5,623,702
\$0.210	11,208,159	2,353,713
\$0.220	70,854	15,588
Varies	10,269,926	3,531,910
	<b>68,471,121</b>	<b>11,531,293</b>



**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

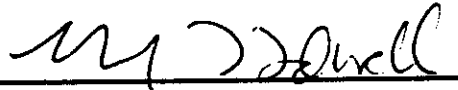
**FIRST CLASS SINGLE-PIECE NONSTANDARD IPPs  
GFY 1998**

<b><u>Short Paid Amount/Pc</u></b>	<b><u>GFY 1998 Volume</u></b>	<b><u>Short Paid Revenue</u></b>
\$0.110	970,715	106,779
Varies	47,255	6,099
	<b>1,017,970</b>	<b>112,878</b>

<b><u>Over Paid Amount/Pc</u></b>	<b><u>GFY 1998 Volume</u></b>	<b><u>Over Paid Revenue</u></b>
\$0.110	0	0
\$0.120	2,578,095	309,371
\$0.210	1,591,681	334,253
\$0.220	357,217	78,588
Varies	819,727	401,674
	<b>5,346,720</b>	<b>1,123,886</b>

**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 "M. Tidwell", written over a horizontal line.

Michael T. Tidwell

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Washington, D.C. 20260-1137  
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May 3, 2000