

Before the
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

Parcel Return Service

)

Docket No. MC2006-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS MICHAEL W. MILLER (OCA/USPS-T2-16-18)
November 16, 2005

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-1-6, dated October 31, are hereby incorporated by reference.

Respectfully submitted,

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OCA/USPS-T2-16. In the Experimental Parcel Return Services case, Docket No. MC2003-2, witness Eggleston was asked and answered (Tr.2/171) the following interrogatory.

OCA/USPS-T2-17. The following interrogatory seeks to clarify the method of calculating the cost differences between Intra-BMC, RBMC and RDU parcels. In your testimony, you indicate that RDU and RBMC parcels will incur less mail processing and transportation costs than an Intra-BMC parcel. RBMC and RDU parcels are picked up by the retailer or its agent; thus the USPS will not incur carrier delivery costs. Please explain where in your cost analysis you account for the carrier delivery cost savings. If you did not consider carrier delivery cost savings, please explain fully why you did not do so.

RESPONSE:

My analysis did not account for any potential carrier delivery cost savings. In keeping with my conservative approach to estimating cost savings, it was not deemed necessary to attempt such a calculation.

Please provide your response to the same interrogatory. If your answer is the same as witness Eggleston's response, please explain why you are being conservative when carrier cost savings are clearly savings that would logically be included in the cost savings model.

OCA/USPS-T2-17. Please confirm that if the carrier delivery cost savings were calculated, then, consistent with your cost savings model, that calculation would be appropriately included as an additional Attachment to your testimony and its result included in your Summary of Estimated Cost Differences Compared to Benchmark (Attachment A, page 1) as a new column labeled "delivery cost savings." If you do not confirm, please explain.

OCA/USPS-T2-18. Please estimate the carrier delivery cost savings and provide your assumptions, calculations and sources. Please use data and methodologies applied in Commission's opinion in Docket No. R2005-1, issued November 1, 2005.

If you are not able to estimate the carrier delivery cost savings, please explain.