

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, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS EGGLESTON TO INTERROGATORIES OF AMAZON.COM  
(AMZ/USPS-T26-1-2  
AND AMZ/USPS-T36-12 REDIRECTED FROM WITNESS PLUNKETT)

The United States Postal Service hereby provides the responses of witness Eggleston to the following interrogatories of Amazon.com: AMZ/USPS-T26-1-2, filed on March 22, 2000., and AMZ/USPS-T36-12, filed on March 22, 2000, and redirected from witness Plunkett.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



\_\_\_\_\_  
Scott L. Reiter

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April 5, 2000

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS EGGLESTON  
TO INTERROGATORIES OF AMAZON.COM

**AMZ/USPS-T36-1.**

Please refer to your testimony at page 28 (1. 17), where you state that it is assumed that DDU Destination Entry parcels will incur water transportation costs. Please explain when DDU Destination Entry parcels receive water transportation.

**RESPONSE:**

It is my understanding that water transportation costs are often incurred below the level of the delivery unit. Since DDU parcels are entered at the delivery unit, it cannot be assumed that they avoid these costs.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS EGGLESTON  
TO INTERROGATORIES OF AMAZON.COM

**AMZ/USPS-T26-2.**

Please refer to your testimony at page 28, where you state that DDU parcels are assumed to incur certain highway and POV (postal owned vehicle) costs. Please explain how DDU Destination Entry parcels incur highway and POV costs.

**RESPONSE:**

It is my understanding that intra-city and box route contracts often account for transportation below the level of the delivery unit. Since DDU parcels are entered at the delivery unit, it cannot be assumed that they avoid these costs.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS EGGLESTON  
TO INTERROGATORIES OF AMAZON.COM  
REDIRECTED FROM WITNESS PLUNKETT**

**AMZ/USPS-T36-12.**

- a. Why does the DDU transportation cost per cubic foot increase from \$0.0660 in Docket No. R97-1 (USPS-T-37, Docket No. R97-1, WP I.E., p. II), to \$0.0908 in this docket (USPS-T-36, Attachment G, p. 5), an increase of 37.6 percent?
- b. Why does the DSCF transportation cost per cubic foot increase from \$0.3997 in Docket No. R97-1 (USPS-T-37, Docket No. R97-1, WP I.E., p. 9), to \$0.5362 in this docket (USPS-T-36, Attachment G, p. 4), an increase of 34.2 percent?

**RESPONSE:**

(a)-(b). My testimony allocates total test year Parcel Post transportation costs to the Parcel Post rate categories. As Parcel Post transportation costs increase, the costs allocated to each rate category increase. Since Alaska non-preferential transportation costs were not included in the Parcel Post transportation cost model in Docket No. R97-1, these costs need to be excluded from test year 2001 Parcel Post transportation costs in order to compare them to Docket No. R97-1 costs. Total Parcel Post test year transportation costs in Docket R97-1 (excluding Alaska non-preferential costs) were \$225,638. Total Parcel Post test year transportation costs (excluding Alaska non-preferential costs) in this case are \$329,016. This is an increase of 46 percent. Therefore, it is not illogical to expect that DDU and DSCF test year transportation costs increased by 37.6 percent and 34.2 percent, respectively.

**DECLARATION**

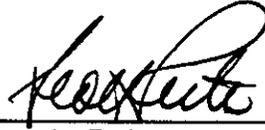
I, Jennifer Eggleston, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

  
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JENNIFER L. EGGLESTON

Dated: 4/5/00

**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.



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Scott L. Reiter

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April 5, 2000