

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

COMPLAINT OF CAPITAL ONE SERVICES, INC.

Docket No. C2008-3

**NOTICE OF THE UNITED STATES POSTAL SERVICE
OF FILING REVISED RESPONSES TO INTERROGATORIES OF
AMERICAN POSTAL WORKERS UNION, AFL-CIO [ERRATA]
(APWU/USPS-4-5)
(September 17, 2008)**

The United States Postal Service hereby provides notice of filing errata to its responses to the following interrogatories of the American Postal Workers Union (APWU), AFL-CIO, filed on August 26, 2008: APWU/USPS-4-5. The Postal Service's original responses were filed on September 9, 2008. These revised responses, attached to this notice pleading, should replace the original responses to APWU/USPS-4-5 in full.

The revisions are necessary because of the Postal Service's original responses to APWU/USPS-4-5 should have been more precise. Specifically, these revised interrogatory responses now both include the phrase "management responsible for the filing of the NSA" rather than the original terminology of "parties" in response to APWU/USPS-4, and "management" in response to APWU/USPS-5. Additionally, the Postal Service removed the final sentence in its original response to APWU/USPS-5(a) that was not responsive to the interrogatory. No other changes to these responses have been made.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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September 17, 2008

REVISED RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF AMERICAN POSTAL WORKERS UNION, AFL-CIO

APWU/USPS-4. Prior to its final agreement with Bank of America over the terms of the NSA, did the Postal Service ever discuss the possibility of using a more up-to-date baseline read rate in the agreement with Bank of America? If not, why not?

RESPONSE:

The baselines in the Bank of America NSA were negotiated, and were related to the most recent rate case, as applied to Bank of America's mailing profile. The Postal Service and BAC negotiated the baselines prior to filing, but management responsible for the filing of the NSA did not become aware of the newer, systemwide averages until the issue arose during the course of the litigation of Docket No. MC2007-1.

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APWU/USPS-5. Page 6 of the *Decision of the Governors on Docket No. MC2007-1*, states that “notwithstanding any estimated impact on contribution, the benefits of advancing the use of the IMB and the other related programs and processes that will result from implementation of this NSA provide a compelling justification for our approval.”

- a). Please describe any other possible methods of obtaining the information related to the IMB program that the Postal Service considered before deciding to use a rate proceeding with an outdated baseline to achieve that goal.
- b). Was a direct contract with Grayhair software or similar software vendor considered?
- c). If not, why not?

RESPONSE:

- a. Please note that at the time Docket No. MC2007-1 was filed, Postal Service management responsible for the filing of the NSA believed that the baselines used in that filing were both the most recent available, and representative of the current state. Please see the response to APWU/USPS-4.

No other alternatives to a mailer agreement under the NSA were considered for attaining the goals of the Bank of America NSA.
- b. A direct contract with Grayhair software or any other similar software vendor was not considered as an alternative to the Bank of America NSA.
- c. Clearly, software vendors cannot perform all the same activities as a large mailer like Bank of America can, nor would it be expected that a software vendor such as Grayhair could influence mailers’ or vendors’ adoption of production technologies, such as Seamless Acceptance or the IMB, in the same way.