Postal Rate Commission
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UNITED STATES OF AMERICA
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners: George Omas, Chairman;
Dawn A. Tisdale, Vice Chairman;
Ruth Y. Goldway; and
Tony Hammond

Postal Rate and Fee Changes Docket No. R2006-1

PRESIDING OFFICER'S INFORMATION REQUEST NO. 1

(Issued May 10, 2006)

The United States Postal Service is requested to provide the information described below to assist in developing a record for the consideration of the Postal Service's request for a recommended decision on proposed rates, fees and classifications. To facilitate inclusion of the required 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 by May 24, 2006.

Questions 1-9 refer to USPS-LR-L-126, workbook "R2006-1 Outside County.xls."

1. Please refer to worksheets "Fcst08" and "Rate Design Input." The after-rates volumes shown in these worksheets are shown in the following table.

TYAR 2008	
Regular Rate	6,326,091,074
Nonprofit	1,710,737,452
Classroom	60,398,065
Outside County	8,097,226,591

The source for these numbers is given as "USPS-LR-L-63, witness Thress." However, the volumes that appear in USPS-LR-L-63 and Attachment A (page 412) of USPS-T-7 are shown in the following table.

TYAR 2008	
Regular Rate	6,290,945,257
Nonprofit	1,698,940,905
Classroom	60,068,114
Outside County	8,049,954,276

Please reconcile the differences in the Outside County volumes.

2. Please refer to worksheet "Rev. Adj+Ed Cont." Please provide the source for the Outside County advertising and editorial pounds distribution by zone. Please provide the specific file, worksheet and cell references for these data.

3. Please refer to worksheet "FY2005_BD." Please confirm that the percentage in cell D168 should be 33.15% instead of 31.78%. If you do not confirm, please provide the derivation of the 31.78%.

4. Please refer to worksheet "Test Year BR w 24pc Adjustm't" cells B116 to B120. Please explain why you applied the editorial pound adjustment to the SCF volume (cell B117) but did not similarly adjust the volumes in cells B116, B118, or B120.

5. Please refer to workbook Outside County.xls, worksheet “Container.” Please provide the specific file, worksheet and cell references in USPS-LR-L-91 for the volumes in cells D5, D6, and F6.

6. Please refer to worksheet “Pound Data.” Please provide the specific file, worksheet and cell references for the pound and volume figures used to calculate the value in cell C41. In cell D41 what does Spreadsheet OC-F refer to?

7. Please refer to worksheet “Discounts.” Please provide the specific file, worksheet and cell references for the value in cell D18.

8. Please refer to worksheet “Discounts.” The source given for the mail processing costs is USPS-LR-L-43 (Flats Mail Processing Cost Models). Please provide the specific file, worksheet and cell references for the values in cells C40, C41, and C42. If these numbers are calculated, please show the calculation.

9. Please refer to worksheet “Discounts.” The source given for the delivery costs is USPS-LR-L-67. Please provide specific worksheet and cell references for the values in cells D30, D33, D40, D43, D45, and D61. If these numbers are calculated from various LR-L-67 inputs, please show the calculation.

10. This question refers to Attachment A to the Postal Service Request (R2006-1), Periodicals Rate Schedule 421. Please confirm that to be consistent with the Service’s proposal, Note 3 should be revised to include a reference to the container charge.

11. Please provide the electronic version of the spreadsheets used to forecast international mail volume and revenue for FY 2006, FY 2007 BR, FY 2007 AR, FY 2008 (test year before rates) and FY 2008 (test year after rates). Exhibits USPS-31A, USPS-31B and USPS-31C. Please show international mail revenue from postage and fees separately. Please show the quarterly volume forecasts of international mail for 2006GQ1-2009GQ4 in the same manner witness Thress (USPS-T-7) has presented before- and after- rates quarterly volume forecasts of domestic mail on pages 1-16, Attachment A of his testimony. For quarters 2006Q2 and 2007Q3, please decompose the international mail volume forecasts into before and after rates in the same way witness Thress has decomposed domestic mail volume forecasts on page 16 of his Attachment A.

12. In support of Exhibits USPS-31A, USPS-31B and USPS-31C, please provide workpapers for Fiscal Years 2005, 2006, 2007, and 2008 that show for each mail category and special service the following statistics and their sources: (a) mail volume, (b) postage, (c) fees, (d) total revenue, and (e) revenue per piece. The requested workpapers should have a similar structure as Postal Service witness Taufique's Exhibit USPS- 28A, Tables 11 and 12 in Docket No. R2005-1.

George Omas
Presiding Officer