

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

RATE AND SERVICE CHANGES TO IMPLEMENT
BASELINE NEGOTIATED SERVICE AGREEMENT
WITH BANK OF AMERICA CORPORATION

Docket No. MC2007-1

**RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS AYUB TO INTERROGATORY OF THE OFFICE OF CONSUMER
ADVOCATE (OCA/USPS-T1-10)
(April 6, 2007)**

The United States Postal Service hereby provides the response of witness Ayub to the following interrogatory of the Office of Consumer Advocate: OCA/USPS-T1-10, filed on February 20, 2007. The interrogatory is stated verbatim and is followed by the response.

UNITED STATES POSTAL SERVICE

By its attorneys:

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OCA/USPS-T1-10. Please refer to your testimony at page 22, line 6-12, which references Table 2.3 of USPS LR-L-61 in Docket No. 2006-1. Also, please refer to Table 1 and Table 2, below.

Table 1
STANDARD MAIL

	Letters/Cards	Flats	Parcels	Total
Presort				5,359.5
Automation				57,208.3
ECR				32,995.7
Total	56,618.7	38,352.5	592.3	95,563.5

Table 2
STANDARD MAIL UAA

	Letters/Cards	Flats	Parcels	Total
Presort				578.3
Automation				4,477.4
ECR				1,052.9
Total	4,273.3	1,773.1	62.3	6,108.6

Source: Docket No. R2006-1, USPS LR-L-61, Tables 2.3 and 2.4 for Standard Mail

- For each cell in Table 1, above, please provide the volume of Standard Mail.
- For each cell in Table 2, above, please provide the volume of Undeliverable-As-Addressed (UAA) Standard Mail.
- Please explain and discuss what effect (if any) the shape of a Standard Mail mailpiece has on the volume and percent of Total UAA for Presorted, Automation, and ECR.

RESPONSE:

- The responsive data are provided in the table below.

**Table 1
Standard Mail Volumes (Millions)
FY 2004**

	Letters/Cards	Flats	Parcels	Total
Presort	3,517.0	1,251.9	590.6	5,359.5
Automation	44,600.7	12,607.6	0.0	57,208.3
ECR	8,501.0	24,492.9	1.8	32,995.7
Total	56,618.7	38,352.5	592.3	95,563.5

Source: USPS-LR-K-87, "Shape FY 2004.xls" Workbook, "Summary" Tab

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b. The responsive data are provided in the table below.

**Table 2
Standard Mail UAA Volumes (Millions)
FY 2004**

	Letters/Cards	Flats	Parcels /1	Total
Presort	398.1	166.8	13.4	578.3
Automation	3,477.8	962.1	37.5	4,477.4
ECR	397.4	644.1	11.4	1,052.9
Total	4,273.3	1,773.1	62.3	6,108.7

Source: USPS-LR-L-61, Tables 4.22 - 4.30

Notes:

1 UAA "parcels" were determined based on how the pieces were handled by carriers and P.O. box clerks. This definition does not necessarily correspond to the definition of "parcels" in Table 1.

c. The amount of UAA Standard Mail is a function of the move rate of recipients and on how often mailers update their mailing lists. Shape, as a characteristic of a mail piece, plays no direct role in the amount of UAA Standard Mail.

The most important point that emerges from the data, however, is that the UAA rate for Standard Letter Mail is 7.8 percent, not the 6.4 percent that we used as a surrogate.

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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