

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Consideration of Technical Methods to Be
Applied in Workshare Discount Design

Docket No. RM2010-13

CHAIRMAN'S INFORMATION REQUEST NO. 1

(Issued October 7, 2010)

In Docket No. RM2009-3, several commenters proposed replacements for the Bulk Metered Mail (BMM) benchmark that has been used historically for calculating the costs that workshared First-Class letters avoid. To facilitate the development of potential benchmarks by commenters and the evaluation of potential benchmarks by the Commission, the Postal Service is requested to provide a written response to the following question. The response is due on or before November 1, 2010.

Please provide the avoidable, worksharing-related unit mail processing, delivery, and collection costs for each of the following potential benchmarks (within single-piece First-Class letters):

- a. Information Based Indicia (IBI);
- b. Metered Letters;
- c. White Mail; and
- d. Average single-piece letters.

If direct cost estimates are not readily available, please provide proxies for the costs and estimate the time and resources that would be necessary to develop direct cost estimates. Please also provide supporting documentation that shows how each

estimate is calculated, explains the assumptions on which it is based, and identifies all sources.

The term “avoidable worksharing-related unit costs” refers to costs from which the worksharing-related unit cost of Automation Mixed AADC presort letters would be subtracted to estimate the Automation Mixed AADC presort letter cost avoidance. The worksharing-related unit cost of the benchmark would also serve as the basis for estimating the avoided cost of nonautomation presort letters. For purposes of this exercise, “white mail” may be defined as it is defined in Initial Comments of the United States Postal Service, filed May 26, 2009, in Docket No. RM2009-3, at A-8 and A-9. The term “average Single-Piece Letters” means an average of all single-piece First-Class letter mail.

By the Chairman.

Ruth Y. Goldway