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

MARKET-DOMINANT PRICE CHANGE

Docket No. R2020-1

**RESPONSES OF THE UNITED STATES POSTAL SERVICE TO
CHAIRMAN'S INFORMATION REQUEST NO. 6, QUESTIONS 5 TO 8, AND 11**
(October 30, 2019)

The Postal Service hereby responds to questions 5 to 8, and 11 of Chairman's

Information Request No. 6, issued on October 21, 2019. Each question is stated

verbatim and is followed by the response. The Postal Service acknowledges that it is

submitting its response three days late due to data issues arising while reconciling the

data formats at Address Management Services with those used in the Special Services

workpapers. Responses to question 9 and 10 are still being prepared.

Respectfully submitted,
UNITED STATES POSTAL SERVICE

By its attorneys:

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5.   Please refer to tab "K-10 ZIP + 4" in the CAPCALC file.[1]

  a.   Please confirm that the unit price for the product "Per State One Time
        Only" (cell D9 divided by cell C9) is $45.00. If not confirmed, please
        explain.

  b.   If item a. is confirmed, please explain why this unit price is higher than the
        prices established in Docket No. R2018-1 ($29.70) and Docket No.
        R2019-1 ($33.00).

  c.   Please confirm that the unit price for the product "All States One Time
        Only" (cell D11 divided by cell C11) is $769.50. If not confirmed, please
        explain.

  d.   If item c. is confirmed, please explain why this unit price is higher than the
        prices established in Docket No. R2018-1 ($627.00) and Docket No.
        R2019-1 ($643.50).

RESPONSE:

  a-b.   Confirmed for the original CAPCALC file, but a revised file will be filed

         shortly, along with the response to question 10. There actually should be

         zero "Per State One Time Only" transactions in cell C9, with zero revenue

         in cell D9. There also should be an additional 3 "Per State" transactions at

         last year's price of $45, increasing revenue in cell D8 by $135.

  c-d.   Confirmed for the original CAPCALC file, but a revised file will be filed

         shortly, along with the response to question 10. There should be only 3

         "All States One Time Only" transactions, reducing revenue in cell D11 by

         $1950. There also should be an additional 2 "All States" transactions at

         the current price of $975, increasing revenue in cell D10 by $1950.

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[1] *See also* Docket No. R2018-1, Library Reference PRC-LR-R2018-1/5, Excel file "PRC-CAPCALC-SS-R2018-1," tab "55. ZIP +4," November 9, 2017; Docket No. R2019-1, Library Reference PRC-LR-R2019-1/5, Excel file "PRC-CAPCALC-SpecServ-R2019-1," tab "55. ZIP +4," November 13, 2018.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
CHAIRMAN'S INFORMATION REQUEST NO. 6**

6.   Please refer to tab "K-14 DPV" in the CAPCALC file.[2]

   a.   Please confirm that the unit price for the product "DPV" (cell D8 divided by cell C8) is $10,823.53. If not confirmed, please explain.

   b.   If item a. is confirmed, please explain why this unit price is lower than the prices established in Docket No. R2018-1 ($11,500.00) and Docket No. R2019-1 ($11,500.00).

RESPONSE:

   a-b.   Confirmed for the original CAPCALC file, but a revised file will be filed

   shortly, along with the response to question 10. There should be only 32

   "DPV" transactions at the current unit price of $11,500. Two transactions

   were incorrectly included in the total transaction count.

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[2] *See also* Docket No. R2018-1, Library Reference PRC-LR-R2018-1/5, Excel file "PRC-CAPCALC-SS-R2018-1.xlsx," tab "45. DPV," November 9, 2017; Docket No. R2019-1, Library Reference PRC-LR-R2019-1/5, Excel file "PRC-CAPCALC-SpecServ-R2019-1.xlsx," tab "45. DPV," November 13, 2018.

7.   Please refer to tab "K-15 DSF2" in the CAPCALC file.[3]

   a.   Please confirm that the unit price for the product "Each additional platform
   per location per year" (cell D11 divided by cell C11) is $35,625.00. If not
   confirmed, please explain.

   b.   If item a. is confirmed, please explain why this unit price is lower than the
   prices established in Docket No. R2018-1 ($57,000.00) and Docket No.
   R2019-1 ($57,000.00).

RESPONSE:

   a-b.   The calculation is confirmed for the CAPCALC file. One of the two

   transactions was charged at a prorated price of $14,250, an incorrect

   application of MCS 1515.2, note 4 to an additional platform.

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[3] *See also* Docket No. R2018-1, Library Reference PRC-LR-R2018-1/5, Excel file "PRC-CAPCALC-SS-
R2018-1.xlsx," tab "46. DSF2," November 9, 2017; Docket No, R2019-1, Library Reference PRC-LR-
R2019-1/5, Excel file "PRC-CAPCALC-SpecServ-R2019-1.xlsx," tab "46. DSF2," November 13, 2018.

8.   Please refer to tab "K-17 CASS" in the CAPCALC file.[4]

    a.   Please confirm that the unit price for the product "August – January (for next cycle)" (cell D9 divided by cell C9) is $1,000.00. If not confirmed, please explain.

    b.   If item a. is confirmed, explain why this unit price is higher than the prices established in Docket No. R2018-1 ($200.00) and Docket No. R2019-1 ($200.00). Does the explanation provided in Docket No. R2018-1 continue to be accurate?[5]

RESPONSE:

    a-b.   Confirmed for the original CAPCALC file, but a revised file will be filed

shortly, along with the response to question 10. There should actually be

zero "August – January (for next cycle)" transactions in cell C9, with zero

revenue in cell D9. There should be a total of 5 "After July 31st (for current

cycle)" transactions at the current unit price of $1,000.

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[4] *See also* Docket No. R2018-1, Library Reference PRC-LR-R2018-1/5, Excel file "PRC-CAPCALC-SS-R2018-1.xlsx," tab "40. CASS," November 9, 2017; Docket No, R2019-1, Library Reference PRC-LR-R2019-1/5, Excel file "PRC-CAPCALC-SpecServ-R2019-1.xlsx," tab "40. CASS," November 13, 2018.

[5] Docket No. R2018-1, Responses to CHIR No. 2, question 8.

11.   Please refer to tab "K-23 COA Reprint" of the CAPCALC file.[6]

    a.   Please confirm that the unit price for the product (cell C9 divided by cell B9) is $48.15. If not confirmed, please explain.

    b.   If previously confirmed, please explain why this unit price is lower than the prices established in Docket No. R2018-1 ($50.00) and Docket No. R2019-1 ($50.00).

RESPONSE:

    a-b.   Confirmed for the original CAPCALC file, but a revised file will be filed

shortly, along with the response to question 10. Revenue for the "COA

Reprint" product was understated by $50. Total revenue is $1350 divided

by 27 transactions, consistent with the $50 price.

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[6] *See also* Docket No. R2018-1, Library Reference PRC-LR-R2018-1/5, Excel file "PRC-CAPCALC-SS-R2018-1.xlsx," tab "58. COA Reprint," November 9, 2017; Docket No, R2019-1, Library Reference PRC-LR-R2019-1/5, PRC-CAPCALC-SpecServ-R2019-1.xlsx," tab "58. COA Reprint," November 13, 2018.