

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 9-10**  
(October 31, 2019)

The Postal Service hereby responds to questions 9-10 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 these responses four days late due to data issues arising while responding to these questions, which concern two of the most complex price schedules within Address Management Services.

Respectfully submitted,  
UNITED STATES POSTAL SERVICE

By its attorneys:

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9. Please refer to tab "K-18 MASS" in the CAPCALC file.<sup>1</sup>
- a. The Commission has previously accepted the Postal Service's explanation as described in Docket No. R2017-1,<sup>2</sup> but when calculating unit price (column D divided by column C), only the product's "MASS Manufacturers (MLOCR) After July 31<sup>st</sup> (current cycle)" and "MASS End-Users (MLOCR) After July 31<sup>st</sup> (current cycle)" satisfy the previously discussed 50 percent standard. Please confirm and explain. If not confirmed, please explain.
  - b. For all other products, please explain why these unit revenues fall outside the pricing boundaries established in Docket No. R2018-1 and Docket No. R2019-1.

**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 zero "MASS Manufacturers MLOCR November – June (next cycle)" transactions and a total of 8 MLOCR "After July 31<sup>st</sup> (current cycle)" transactions prorated at 50 percent of the current unit price of \$1,500, under MCS 1515.2, note 10. There should be zero MASS Manufacturers Encoder "November – June (next cycle)" transactions and 1 "July" transaction at the current unit price of \$750. There should be zero "MASS End-Users Encoder November – June (next cycle)" transactions and 4 "July" transactions at the current unit price of \$750. There should be one "MASS End-Users Encoder After July 31<sup>st</sup> (current cycle)" transaction prorated to 50 percent of the current unit price of \$1,000, under MCS 1515.2, note 10.

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<sup>1</sup> See *also* Docket No. R2018-1, Library Reference PRC-LR-R2018-1/5, Excel file "PRC-CAPCALC-SS-R2018-1.xlsx," tab "50. MASS," November 9, 2017; Docket No. R2019-1, Library Reference PRC-LR-R2019-1/5, Excel file "PRC-CAPCALC-SpecServ-R2019-1.xlsx," tab "50. MASS," November 13, 2018.

<sup>2</sup> Docket No. R2017-1, Response of the United States Postal Service to Questions 4(a), (e), and (f) of Chairman's Information Request No. 5, questions 4(a), November 8, 2016.

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10. Please refer to tab "K-21 NCOALink" in the CAPCALC file.<sup>3</sup>
- a. Please confirm that the unit price for the product "Initial Interface Developer (first year fee)" (cell D9 divided by cell C9) is \$1,200.00. 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 (\$6,075.00) and Docket No. R2019-1 (\$6,200.00).
  - c. Please confirm that the unit price for the product "Interface Developer (per each one year extension)" (cell D10 divided by cell C10) is \$3,681.25. 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 (\$1,200.00) and Docket No. R2019-1 (\$1,225.00).
  - e. Please confirm that the unit price for the product "Interface Distributor (per year)" (cell D11 divided by cell C11) is \$28.987.50. If not confirmed, please explain.
  - f. If item e. is confirmed, please explain why this unit price is lower than the prices established in Docket No. R2018-1 (\$30,000.00) and Docket No. R2019-1 (\$30,600.00).
  - g. Please confirm that the unit price for the product "Full Service Provider Each Additional Site (per year)" (cell D13 divided by cell C13) is \$82,875.00. If not confirmed, please explain.
  - h. If item g. is confirmed, please explain why this unit price is lower than the prices established in Docket No. R2018-1 (\$102,000.00) and Docket No. R2019-1 (\$104,000.00).
  - i. Please confirm that the unit price for the product "Limited Service Provider (per year)" (cell D14 divided by cell C14) is \$17,717.95. If not confirmed, please explain.
  - j. If item i. is confirmed, please explain why this unit price is lower than the prices established in Docket No. R2018-1 (\$17,800.00) and Docket No. R2019-1 (\$18,200.00).
  - k. Please confirm that the unit price for the product "One Site only" (cell D16 divided by cell C16) is \$17,008.33. If not confirmed, please explain.

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<sup>3</sup> See also Docket No. R2018-1, Library Reference PRC-LR-R2018-1/5, Excel file "PRC-CAPCALC-SS-R2018-1.xlsx," tab "51. NCOALink," November 9, 2017; Docket No. R2019-1, Library Reference PRC-LR-R2019-1/5, Excel file "PRC-CAPCALC-SpecServ-R2019-1.xlsx," tab "51. NCOALink," November 13, 2018.

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- l. If item k. is confirmed, please explain why this unit price is lower than the prices established in Docket No. R2018-1 (\$17,800.00) and Docket No. R2019-1 (\$18,200.00).
- m. Please confirm that the unit price for the product "Each additional site" (cell D17 divided by cell C17) is \$8,845.45. If not confirmed, please explain.
- n. If item m. is confirmed, please explain why this unit price is lower than the prices established in Docket No. R2018-1 (\$8,900.00) and Docket No. R2019-1 (\$9,100.00).
- o. Please confirm that the unit price for the product "ANKLink Service Option (per year) First Site" (cell D19 divided by cell C19) is \$3,540.67. If not confirmed, please explain.
- p. If item o. is confirmed, please explain why this unit price is lower than the prices established in Docket No. R2018-1 (\$4,150.00) and Docket No. R2019-1 (\$4,250.00).
- q. Please confirm that the unit price for the product "ANKLink Service Option (per year) Each Additional Site" (cell D20 divided by cell C20) is \$3,121.04. If not confirmed, please explain.
- r. If item q. is confirmed, please explain why this unit price is higher than the prices established in Docket No. R2018-1 (\$1,900.00) and Docket No. R2019-1 (\$1,950.00).

**RESPONSE:**

- a-b. Confirmed for the original CAPCALC file, but a revised file is being filed today. There should be only one "Initial Interface Developer (first year fee)" transaction at the current unit price of \$6,200.
- c-d. Confirmed for the original CAPCALC file, but a revised file is being filed today. There should be 29 "Interface Developer (per each one year extension)" transactions at last year's price of \$1200, which applied during the first four months of the hybrid year.
- e-f. Confirmed for the original CAPCALC file, but a revised file is being filed today. There should be 11 "Interface Distributor (per year)" transactions at

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last year's price of \$30,000. There also is 1 "Interface Distributor (per year)" transaction at last year's prorated price of \$17,850, under MCS 1515.2, note 11.

- g-h. Confirmed. Three "Full Service Provider Each Additional Site (per year)" products paid at last year's price of \$102,000. The fourth "Full Service Provider Each Additional Site (per year)" product paid \$25,500, an incorrect application of MCS 1515.2, note 11, to an additional site at last year's price of \$102,000.
- i-j. Confirmed for the original CAPCALC file, but a revised file is being filed today. There should be 10 "Limited Service Provider (per year)" transactions, 7 at last year's price of \$17,800, 3 were incorrectly charged the price implemented on January 27, 2017, \$17,500. There also are 3 "Limited Service Provider (per year)" transactions at last year's prorated prices of 16,316.67, \$14,833.34, and \$13,350, and one transaction charged at the January 27, 2017 prorated price of \$4,375, under MCS 1515.2, note 11.
- k-l. Confirmed for the original CAPCALC file, but a revised file is being filed today. There should be 156 "One Site only" transactions, 1 at the current price of \$18,200, 111 at the previous price of \$17,800, and 44 at the price implemented on January 27, 2017, \$17,500.
- m-n. Confirmed for the original CAPCALC file, but a revised file is being filed today. There should be 11 transactions for "Each additional site", 7

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transactions were at the previous price of \$8,900, 4 transactions were at \$8,750, the price implemented on January 27, 2017.

- o-p. Confirmed for the original CAPCALC file, but a revised file is being filed today. There should be 50 transactions for "ANKLink Service Option (per year) First Site", 1 transaction was charged the prorated current price of \$1,062.50 (under MCS 1515.2, note 11), 48 transactions were charged last year's price of \$4,150, and 1 transaction was charged \$4100, the price implemented on January 27, 2017.
- q-r. Confirmed for the original CAPCALC file, but a revised file is being filed today. There should be two transactions at last year's price of \$1,900.