

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

FIRST-CLASS MAIL AND PERIODICALS
SERVICE STANDARD CHANGES, 2021

Docket No. N2021-1

**RESPONSES OF THE UNITED STATES POSTAL SERVICE INSTITUTIONAL
WITNESS (SHARON OWENS) TO THE GREETING CARD ASSOCIATION
INTERROGATORIES TO THE UNITED STATES POSTAL SERVICE
(GCA/USPS-1)
(May 20, 2021)**

The United States Postal Service hereby provides the responses of institutional witness Owens to Questions 1(a-b) of the Greeting Card Association Institutional Interrogatories to the United States Postal Service (GCA/USPS-1), issued on May 13, 2021. Each question is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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**RESPONSES OF UNITED STATES POSTAL SERVICE INSTITUTIONAL WITNESS
OWENS TO GREETING CARD ASSOCIATION INTERROGATORIES**

GCA/USPS-1. (a) For each First-Class Mail product, as listed on the Cost Segment 14 page of the FY 2020 *Public Cost Segments and Components* report, please provide the piece volume for each mode of transportation shown on that page.

(b) Please confirm that an acceptably accurate per-piece cost for each First-Class Mail product and mode of transportation can be calculated by dividing the Cost Segment 14 cost therefor shown in the FY 2020 *Public Cost Segments and Components* report by the respective piece volumes requested in part (a). If you do not confirm, please state the reason(s) and explain how such a per-piece cost should be calculated.

RESPONSE:

- a. The Postal Service does not have a measure of the piece volume for each mode of transportation because no Postal Service data system collects this information. In addition, individual pieces can and do travel on more than one mode of transportation. See USPS-T-1 at 11.
- b. Not confirmed; the Postal Service does not collect the piece volumes requested in Question 1(a). In addition, it is unclear what is meant by a “per-piece cost for each First-Class Mail product and mode of transportation.” It is true that, for any given volume data in the denominator (if such data meaningfully exist), one could mechanistically calculate an “air cost per air-transported piece” and a “purchased highway cost per purchased highway-transported piece” as described. However, nearly all First-Class Mail pieces, including those transported by air, receive some level of surface transportation—either purchased highway transportation or Postal Vehicle Service (PVS)—for local transportation from the destination processing facility to the delivery unit. Therefore, the hypothetical “purchased highway cost per purchased highway-transported piece” would not be for pieces exclusively transported on purchased highway transportation.