

Before The
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

Rate and Service Changes to Implement)
Functionally Equivalent Negotiated Service) Docket No. MC2004-3
Agreement with Bank One Corporation)

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS MICHAEL K. PLUNKETT (OCA/USPS-T1-33-34)
July 30 2004

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/BOC-T1-1-10, dated June 28, 2004, are hereby incorporated by reference.

Respectfully submitted,

SHELLEY S. DREIFUSS
Director
Office of the Consumer Advocate

EMMETT RAND COSTICH
Attorney

1333 H Street, N.W.
Washington, D.C. 20268-0001
(202) 789-6830; Fax (202) 789-6819
email: costicher@prc.gov

OCA/USPS-T1-33. Please refer to the table below, entitled APPENDIX A, page 4, (REVISED BY OCA), which contains revisions to the Bank One Model at Appendix A, page 4 of your testimony. Please confirm that the table entitled APPENDIX A, page 4, (REVISED BY OCA) is an alternative presentation of the Bank One Model that separates various calculations in Appendix A at page 4 of your testimony. If you do not confirm, please explain and show all calculations.

OCA/USPS-T1-34. Please refer to the table below, entitled APPENDIX A, page 5, (REVISED BY OCA), which contains revisions to the Bank One Model at Appendix A, page 5 of your testimony. Please confirm that the table entitled APPENDIX A, page 5, (REVISED BY OCA) is an alternative presentation of the Bank One Model that separates various calculations in Appendix A at page 5 of your testimony. If you do not confirm, please explain and show all calculations.

APPENDIX A, page 4 (REVISED BY OCA)
Bank One Model (Statement Mail)
 Negotiated Service Agreement
 Appendix A, page 4

BOC Marketing Mail Return Percentage =	9.0%	(1)
BOC Statement Mail Return Percentage =	0.3%	(2)
Average Presort Letters Return Percentage =	1.23%	(3)
BOC Statement Mail Volume BEFORE RATES =	506,650,000	(4)
BOC Statement Mail Volume AFTER RATES =	29,387,000	(5)
BOC Marketing Mail Volume BEFORE RATES =	48,442,000	(7)
BOC Marketing Mail Volume AFTER RATES =	\$0,551	(8)
Electronic Returns Unit Cost =	\$0,343	(9)
Address Change Service (ACS) Success Rate =	69.0%	(10)
Contingency Factor =	1.025	

OCA'S REVISED COLUMNS			DOCKET NO. R2001.1 PRC FIGURES - BANK ONE MAIL MIX			USPS' ORIGINAL COLUMNS (Plunkett)							
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(13)	(14)	(15)	(15)
	BOC	BOC	BOC	BR 2004	BR 2004	BR 2004	BR 2004	AR 2004	AR 2004	Current Returns Adjustment Unit Cost	Current w/Ret's Adj Total Unit Cost	After Rates Returns Adjustment Unit Cost	After Rates w/Ret's Adj Total Unit Cost
Rate Category	TY 2004 Total Unit Cost (\$dollars)	FY 2003 Mail Volume (Pieces)	FY 2003 Mail Volume (Percentage)	Adjustment for Average Returns Unit Cost (\$dollars)	Total Unit Cost Returns (\$dollars)	Adjustment for Statement Returns Unit Cost (\$dollars)	Total Returns adjusted Unit Cost (\$dollars)	Statement for Returns adjusted Unit Cost (\$dollars)	Total Returns adjusted Unit Cost (\$dollars)				
FIRST-CLASS MAIL LETTERS													
Nonautomation Presort Letters	0.254	16,896,034	3.4%										
Automation Presort Letters	0.123	3,462,228	0.7%										
Automation Mixed AADC	0.111	5,935,849	1.2%										
Automation 3-Digit	0.108	321,218,301	64.4%										
Automation 5-Digit	0.095	150,886,728	30.3%										
Automation Carrier Route	0.107	115,591	0.0%										
WEIGHTED AVERAGE / TOTAL	0.109	498,514,731	100.0%	\$0.0068	\$0.1020	\$0.0019	\$0.104	\$0.0019	\$0.104	0.0049	0.104	0.0049	0.104

NOTES (to OCA's portion of table):

(1) USPS-1.1 (Plunkett), Appendix A, page 1

(2) USPS-1.1 (Plunkett), Appendix A, page 1

(3) USPS-1.1 (Plunkett), Appendix A, page 1

(4) USPS-1.1 (Plunkett), Appendix A, page 2

(5) USPS-1.1 (Plunkett), Appendix A, page 2

(6) USPS-1.1 (Plunkett), Appendix A, page 2

(7) USPS-1.1 (Plunkett), Appendix A, page 2

(8) USPS-1.1 (Plunkett), Appendix A, page 1

(9) USPS-1.1 (Plunkett), Appendix A, page 1

(10) USPS-1.1 (Plunkett), Appendix A, page 1

(11) USPS-1.1 (Plunkett), Appendix A, page 4, Col. (10)

(12) USPS-1.1 (Plunkett), Appendix A, page 4, Col. (11)

(13) USPS-1.1 (Plunkett), Appendix A, page 4, Col. (12)

(14) (7) - (9)

(15) (11) - (14)

(16) (2) * (8) * (4) / (4)

(17) (5) + (16)

(18) (2) * (8) * (5) / (5)

(19) (5) + (19)

NOTES (to USPS' portion of table):

(13) (Manual Letter Returns Unit Cost * After Rates Statement Mail) * (Statement Mail Return Forecast - USPS FCM Avg Return After Rates Statement Mail)

(14) (10) + (13) NOTE: column (10) in Appendix A, page 4 is the same as column (11) in this table.

(15) (ACS Success Rate * Electronic Letter Returns Unit Cost + (1 - ACS Success Rate) * Manual Letter Returns Unit Cost) * After Rates Statement Mail * (Statement Mail Return Forecast - USPS FCM Avg Return Rate) / After Rates Statement Mail

(16) (10) + (15) NOTE: column (10) in Appendix A, page 4 is the same as column (11) in this table.

(17) (14) * Contingency Factor (Assumptions)

(18) (16) * Contingency Factor (Assumptions)

Total Unit Cost Estimates, including Contingency = (17) (18)

