

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

Postal Rate and Fee Changes, 2005)

Docket No. R2005-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS LILLIAN WATERBURY
(OCA/USPS-T10-6-7)
(June 10, 2005)

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 interrogatory OCA/USPS-T1-1, dated April 12, 2005, are hereby incorporated by reference.

Respectfully submitted,

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OCA/USPS-T10-6. Please refer to the file "R2005.FY2006BRC-DRpt.USPS.AMX" in USPS-LR-K-6, showing the USPS version of cost segments and components for the TYBR, and the file "R2005.FY2006BRC-DRpt.PRC.AMX" in USPS-LR-K-95, showing the PRC version of cost segments and components for the TYBR. Also, please refer to Tables 1 and 2, below, which compare Postal Service and PRC cost segment 2 and 3 costs.

- a. Refer to Table 1, below. With respect to Registered Mail for all but one cost component in C/S 2 (2.2 Supv. – Window Service), please explain for each cost component why the Postal Service estimates more volume variable costs than the Commission estimates attributable costs.
- b. Refer to Table 2, below. With respect to Registered Mail for all but one cost component in C/S 3 (3.2 Window Service), please explain for each cost component why the Postal Service estimates more volume variable costs than the Commission estimates attributable costs.

REGISTERED MAIL								
Comparison of 2006 TYBR Costs: USPS and PRC Version								
Cost Segments 2 and 3								
Table 1								
Cost Segment 2: Supervisors and Technicians								
Cost Components (000)								
Supv - Mail Processing			Supv - Window Service			Supv - Admin Support		
2.1.1			2.2			2.3		
		\$ Chg. from			\$ Chg. from			\$ Chg. from
USPS	PRC	USPS	USPS	PRC	USPS	USPS	PRC	USPS
\$2,111	\$682	(\$1,429)	\$396	\$435	\$39	\$104	\$60	(\$44)
Supv - City Delivery Carriers			Supv - Rural Delivery Carriers			Higher Level Supervisors		
2.4.1			2.4.2			2.5.2		
		\$ Chg. from			\$ Chg. from			\$ Chg. from
USPS	PRC	USPS	USPS	PRC	USPS	USPS	PRC	USPS
\$433	\$369	(\$64)	\$48	\$48	\$0	\$163	\$88	(\$75)
Supervisor Training			Supv - Quality Control/Rev Protect			Joint Supv. Clerks/Carriers		
2.5.5			2.5.6			2.5.7		
		\$ Chg. from			\$ Chg. from			\$ Chg. from
USPS	PRC	USPS	USPS	PRC	USPS	USPS	PRC	USPS
\$37	\$19	(\$18)	\$76	\$27	(\$49)	\$472	\$235	(\$237)
TOTAL C/S 2								
		\$ Chg. from						
USPS	PRC	USPS						
\$3,840	\$1,963	(\$1,877)						
Table 2								
Cost Segment 3: Clerks and Mailhandlers--CAGS A-J								
Cost Components (000)								
Mail Processing			Window Service			Administrative Clerks		
3.1			3.2			3.3.1		
		\$ Chg. from			\$ Chg. from			\$ Chg. from
USPS	PRC	USPS	USPS	PRC	USPS	USPS	PRC	USPS
\$33,208	\$10,134	(\$23,074)	\$4,838	\$5,311	\$473	\$1,516	\$1,444	(\$72)
Time & Attendance								
3.3.2								
		\$ Chg. from						
USPS	PRC	USPS						
\$114	\$88	(\$26)						
TOTAL C/S 3								
		\$ Chg. from						
USPS	PRC	USPS						
\$39,676	\$16,977	(\$22,699)						
Sources:	USPS-LR-K-6, File: "R2005.FY2006BRC-DRpt.USPS.AMX"							
	USPS-LR-K-95, File: "R2005.FY2006BRC-DRpt.PRC.AMX"							

OCA/USPS-T10-7. Please refer to the files "R2005.FY2006BRC-DRpt.PRC.AMX" and "R2005.FY2006ARC-DRpt.PRC.AMX" in USPS-LR-K-95, showing the PRC version of cost segments and components for the TYBR and TYAR. Also, please refer to USPS-T-27, Exhibit USPS-27F, at page 6.

- a. Based upon the PRC version of costs, please confirm that the TYBR total unit cost of Registered Mail is \$11.24 ($\$44,865,000 / 3,990,000$). If you do not confirm, please explain and provide the correct unit cost, providing citations to all figures used and showing all calculations.
- b. Based upon the PRC version of costs, please confirm that the TYAR total unit cost of Registered Mail is \$11.34 ($\$42,380,000 / 3,738,000$). If you do not confirm, please explain and provide the correct unit cost, providing citations to all figures used and showing all calculations.