

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, DC 20268-0001

Postal Rate and Fee Changes, 2005 )

Docket No. R2005-1

INTERROGATORIES OF GREETING CARD ASSOCIATION  
TO THE UNITED STATES POSTAL SERVICE  
WITNESS JOHN KELLEY  
(GCA/USPS-T16-1-2)  
(June 17, 2005)

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, Greeting Card Association (GCA) directs the following interrogatories to the United States Postal Service Witness John Kelley.

Respectfully submitted,

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Alan R. Swendiman, Esquire

Counsel for  
GREETING CARD ASSOCIATION

Jackson & Campbell, P.C.  
1120 20<sup>th</sup> Street, N.W.  
Suite 300 South  
Washington, D.C. 20036-3437

GCA/USPS-T16-1.

In response to MMA/USPS-T-16-2. b. , you state that USPS unit single piece delivery costs for [CRA-defined] cost segment 7 are 52.7% higher than using the PRC method. Please explain in unit cost amounts which specific factor accounts for which unit cost incremental difference underlying the 7.188 cents – 5.844 cents = 1.344 cent total cent difference, e.g. .3 cents of the difference is due to different distribution keys, .2 cents is due to different volume variabilities, etc.

GCA/USPS-T16-2.

In response to MMA/USPS-T-16-2. b. , you state that the USPS costs for cost segment 7 utilizes a 31.0% distribution key for FCLM while the Commission utilizes a 21% distribution key. What accounts for the different distribution key assumptions?

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with sections 12, 25(a), and 26(a) of the Rules of Practice.

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Alan R. Swendiman

June 17, 2005