

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

POSTAL RATE AND FEE CHANGES
PURSUANT TO PUBLIC LAW 108-18

Docket No. R2005-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-178)

The United States Postal Service hereby provides its response to the following interrogatory of the Office of the Consumer Advocate, filed on June 16, 2005: OCA/USPS-178.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

Daniel J. Foucheaux, Jr.
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June 17, 2005

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OCA/USPS-178. The following statement was made at the website of postcom.org on June 16, 2005 (<http://www.postcom.org/>):

Word has it that the Postal Service is sitting on a whale of a lot more cash than it originally disclosed to the Postal Rate Commission. If this is true, look for an errata to be filed at the PRC.

- a. Please state whether the Postal Service has “a lot more cash than [was] originally disclosed to the Postal Rate Commission.”
- b. If the Postal Service does have a significant amount of cash over and above what was presented in its initial filing in the instant rate case, please state the precise amount that is different from initial figures. Explain the source of the discrepancy between the initial filing and the current financial situation.
- c. Is it correct that errata will be filed at the Commission reflecting a significant amount of cash in excess of originally filed estimates? If not, why not?
- d. If so, when will the errata be filed? Whose testimony and exhibits, and which library references, will be changed?

Response:

- a. The Postal Service does not have more cash than that reflected in the current filing and knows of no basis for the quoted statement on the Postcom website. In fact, the average cash balance estimated for May 2005 (\$3.2 billion)¹ was approximately \$400 million more than the Postal Service’s actual experience (\$2.8 billion).
- b. N/A
- c. No. This is not correct.
- d. N/A

¹ Please see page 12 of the Errata to Postal Service Library Reference K-50, filed on June 9, 2005, which can be found in the electronic version in workbook IntIncExp_R05_corrected.xls, sheet FY2005 BR, cell N108).

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Scott L. Reiter

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