

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

INSTITUTIONAL RESPONSE OF UNITED STATES POSTAL SERVICE TO
INTERROGATORY OF AMERICAN BANKERS ASSOCIATION AND NATIONAL
ASSOCIATION OF PRESORT MAILERS, REDIRECTED FROM WITNESS ABDIRAHMAN
(ABA&NAPM/USPS-T21-55)

The United States Postal Service hereby files its response to the above-listed interrogatory of the American Bankers Association and the National Association of Presort Mailers, filed on June 8, 2005 and redirected from witness Abdirahman.

The interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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June 22, 2005

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO THE INTERROGATORY
OF AMERICAN BANKING ASSOCIATION AND NATIONAL ASSOCIATION OF PRESORT
MAILERS, REDIRECTED FROM WITNESS ABDIRAHMAN**

REVISED June 13, 2005

ABA/NAPM-T21-55. Please refer to Table 3 at page 19 of your testimony as revised 05/24/05, and to the "Total Mail Processing Unit Costs" and "Worksharing Related Savings" set forth there for the FCLM automated rate categories, using PRC LR-K 110 (Commission Methodology), as revised 05/24/05, cost results. Please confirm that had you used delivery unit costs of all First Class Mail Nonautomation Presort Letters as the proxy for delivery unit costs of the benchmark, Metered Letters, as the Commission did in the last non-settled rate case (R-2000-1), the "Worksharing Related Savings" shown in the above-referenced Table 3 (using revised LR -K-110 cost results), and in Column 5 of the LR-K-110 Letters Summary (revised 05/24/05) for each of the FCLM automated rate categories would be 2.514 cents higher, resulting in the following "Worksharing Related Savings" using PRC LR-K-110 (revised 05/24/05) cost results:

FCLM Automation Mixed AADC Letters 8.645 cents
FCLM Automation AADC Letters 9.744 cents
FCLM Automation 3-Digit Letters 10.155 cents
FCLM Automation 5-Digit Letters 11.480 cents

Response:

Confirmed.

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.

Nan K. McKenzie

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