

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 POSTAL SERVICE WITNESS MARC A. SMITH
TO QUESTION POSED BY ABA&NAPM AT THE JULY 8, 2005 HEARINGS
(July 14, 2005)

The United States Postal Service hereby responds to the above-described question of American Bankers Association and National Association of Presort Mailers.

The question is paraphrased, with a citation to the transcript, and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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BY ABA & NAPM AT THE JULY 8, 2005 HEARINGS

TR 7/2710: Please provide base year mail processing costs by cost pool and shape, as done for the test year.

Response:

The requested costs are provided in USPS LR-K-148. The spreadsheet, shp04usps.xls contains the USPS version base year mail processing costs by shape and cost pool.

The piggyback factors by cost pool, which are an input for costs by shape are provided in spreadsheet MPPGBY04.xls. These spreadsheets parallel the calculations done for the test year mail processing cost pool piggyback factors, contained in USPS LR-K-52 and the test year mail processing costs by shape provided in USPS LR-R-53.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

Sheela A. Portonovo

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