

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MAYES TO  
INTERROGATORY OF THE MAGAZINE PUBLISHERS OF AMERICA, INC.,  
REDIRECTED FROM WITNESS TALMO  
(MPA/USPS-T27-1(e), (f), and (j))

The United States Postal Service hereby files the responses of Witness Mayes to the above-listed interrogatory subparts, filed on May 19, 2006 and redirected from witness Talmo.

The interrogatory subparts are stated verbatim and followed by the responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

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Nan K. McKenzie  
Attorney

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-3089; Fax -5402  
June 6, 2006

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**MPA/USPS-T27-1.** Please refer to USPS-LR-L-49 at 19-20; USPS-LR-L-85, Table 1; Table 3 of your testimony (USPS-T-27); and your testimony to page 7, line 17, through page 8, line 1, where you state:

Table 3 demonstrates that Periodicals flat-shaped mail presented by mailers in sacks is more costly to process than mail presented on pallets. The per-piece cost difference is due to differences in productivities for platform and other allied operations associated with unloading mail and moving mail to bundle sort operations at the 'destination' facility. The destination facility refers to the facility at which a pallet or sack is dumped or opened and the bundles or pieces therein are handled separately.

Please also refer to witness McCrery's response to Presiding Officer's Information Request No. 4, Question 6, in Docket No. R2005-1, which stated:

It should be noted that the [Skin Sack Cost Reduction] estimate is conservative since it reflects only savings at the destination facilities. However, it would be expected that further workhour reductions will be realized at origin facilities with fewer origin sack handlings and through a reduction in the overall network sack sorting workload for Periodicals.

Finally, please refer to lines 16 through 18 on page 6 of USPS-T-25, which states: "Periodicals that are entered by mailers at origin SCFs or intermediate facilities upstream from the destination SCF must undergo mail processing operations of a bulk transfer type, such as crossdocking, at the non-destination facilities."

...

(e) Please confirm that the average cost (per piece of mail) of handling sacks at destination facilities is higher than the average cost of handling pallets at non-destination facilities. If not confirmed, please explain fully, and produce all data and analyses underlying your response.

(f) Please confirm that the actual per-piece cost difference between sacks and pallets entered at the same "non-destination" facility will be higher than the per-piece cost difference estimated in USPS-LR-L-85. If not confirmed, please explain fully, and produce all data and analyses underlying your response.

...

(j) Does the Postal Service have any other estimates of the unit costs of handling containers of Periodicals Outside County mail, or other kinds of mail? If so, please provide the estimates and their source.

**RESPONSE:**

(e) Confirmed.

(f) Confirmed.

...

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- (j) To the best of my knowledge, other than material filed in this and previous cases before the Postal Rate Commission, no additional studies from which such estimates could be developed have been completed.
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## **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.

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Nan K. McKenzie

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