

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

Postal Rate and Fee Changes,
2006

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Docket No. R2006-1

SECOND SET OF INTERROGATORIES OF
AMERICAN BANKERS ASSOCIATION AND
NATIONAL ASSOCIATION OF PRESORT MAILERS
TO USPS WITNESS ABDIRAHMAN
(ABA-NAPM/USPS-T22-3-5)
(June 14, 2006)

Pursuant to sections 25, 26 and 27 of the rules of practice, the American Bankers Association and the National Association of Presort Mailers direct the following interrogatories to United States Postal Service witness Abdulkadir M. Abdirahman (USPS-T-22). If the witness cannot answer a question or subpart, we request that the Postal Service answer through another witness or submit an institutional response.

Respectfully submitted,

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ABA-NAPM/USPS-T-22-3. In your testimony (USPS-T-22) at page 6, lines 18-19, you state: “Each cost pool is now classified as being proportional or fixed...”. You go on to state that you only use proportional cost factors in your model.

a. Please confirm that compared to R2005-1, you have moved *three* cost pools that were classified as worksharing related fixed into the proportional column in LR-L-48: MODS 17: 1OPPREF, 1OPTRANS, and 1POUCHNG. Please explain fully any failure to confirm without qualification.

b. Please explain why each cost pool identified in part a. was not included as proportional in R2005-1.

c. Please explain why the USPS has changed course in this case by including each of the three cost pools as proportional.

ABA-NAPM/USPS-T-22-4. In your testimony (USPS-T-22) at page 6, lines 18-19, you state: “Each cost pool is now classified as being proportional or fixed...”. You go on to state that you only use proportional cost factors in your model.

a. Please confirm that *eight* cost pools that were classified as worksharing related fixed in R2005-1 were *not* moved into the proportional column in your LR-L-48 in the this case: MODS 17: 1CANCEL, 1MTRPREP, 1PLATFRM, 1PRESORT; MODS 49: LD49; MODS 79: LD79; MODS 99: 1SUPP_F1; and NON MODS ALLIED. Please explain fully any failure to confirm without qualification.

b. Please explain why the eight cost pools identified in part a. were not included as proportional in R2006-1.

ABA-NAPM/USPS-T-22-5. Please confirm that, if the USPS had moved all workshared FCLM cost pools previously classified as worksharing related fixed into your proportional category, the total direct mail processing costs for the test year in R2006-1 would be as follows:

Automation mixed AADC:	7.231 cents
Automation AADC:	5.623 cents
Automation 3 –digit:	5.063 cents
Automation 5-digit:	3.237 cents
Automation carrier route:	2.003 cents

If you fail to confirm without qualification, please state what you believe to be the correct figures under the assumptions of the question, and provide sufficient documentation to replicate your calculations.