

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORY OF AMERICAN BANKERS ASSOCIATION AND
NATIONAL ASSOCIATION OF PRESORT MAILERS
REDIRECTED FROM WITNESS TAUFIQUE
(ABA-NAPM/USPS-T32-9)

The United States Postal Service hereby files than an institutional response to the following interrogatories of American Bankers Association and National Association of Presort Mailers: ABA-NAPM/USPS-T32-9, filed on July 11, 2006. The interrogatory has been redirected from witness Taufique to the Postal Service for an institutional response. The interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF AMERICAN BANKERS ASSOCIATION AND
NATIONAL ASSOCIATION OF PRESORT MAILERS
REDIRECTED FROM WITNESS TAUFIQUE**

ABA-NAPM/USPS-T32-9. In your response to ABA-NAPM/USPS-T22-2(c), you provided a table labeled “AUTOMATION LETTERS, USPS Version.” Please provide a “PRC version” of the table (i.e., a table using the PRC costing methodology in R2005-1), as requested by ABA-NAPM/USPS-T22-2(c).

RESPONSE

**AUTOMATION LETTERS
PRC Version**

	TOTAL MAIL	Total	Total		Proposed		
	PROCESSING	Delivery	MP & Del.	Savings	Rates	Workshare	Pass
	UNIT COST	Unit Cost	Unit Cost			Discounts	Throughs
	(Dollars)	(Dollars)	(Dollars)		(Dollars)		
MAADC	\$ 0.072	\$ 0.042	\$ 0.113		\$ 0.346		
AADC	\$ 0.058	\$ 0.040	\$ 0.099	\$ 0.015	\$ 0.335	\$ 0.011	73.3%
3-Digit	\$ 0.054	\$ 0.040	\$ 0.094	\$ 0.005	\$ 0.331	\$ 0.004	80.0%
5-Digit	\$ 0.039	\$ 0.037	\$ 0.076	\$ 0.018	\$ 0.312	\$ 0.019	105.6%

Also, please see witness Taufique’s (USPS-T-32) response to Presiding Officer’s Information Request (POIR) Number 5, question 2c for the reasons to not include the unit delivery cost to calculate the savings that become the basis of presort discounts for automation letters.