

**BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0111**

Postal Rate Commission
Submitted 9/29/2006 8:00 am
Filing ID: 53583
Accepted 9/29/2006

POSTAL RATE AND FEES CHANGES, 2006

Docket No. R2006-1

**RESPONSE OF PARCEL SHIPPERS ASSOCIATION
WITNESS JOHN McALPIN TO INTERROGATORIES OF THE UNITED STATES
POSTAL SERVICE (USPS/PSA-T2-1-2)**

The Parcel Shippers Association (PSA) submits the answers of PSA witness John McAlpin to USPS/PSA-T2-1-2. Each question is stated verbatim and then answered.

Respectfully submitted,

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Dated: September 29, 2006

**RESPONSE OF PARCEL SHIPPERS ASSOCIATION WITNESS JOHN McALPIN
TO INTERROGATORIES OF THE UNITED STATES POSTAL SERVICE
(USPS/PSA-T2-1-2)**

USPS/PSA-T2-1 Please refer to the table on page 5 of your testimony.

- (a) Please provide all the backup calculations and assumptions behind this table, including the weights of the pieces used, their zone distributions, and which rate schedules were used to derive the prices shown in the table.
- (b) Do any of the USPS prices shown in the table contain a PRS component? If so, please explain fully.
- (c) Do the UPS prices shown in the table include any charges for pickup? If so, please provide the pickup charges separately for each rate cell in the table and any underlying assumptions.

ANSWER

- (a) See the attached spreadsheet for the average zone and zone distribution of return packages for each retailer profile. Regarding rate schedules, each USPS price listed reflects the Merchandise Return Service (MRS) and assumes the Parcel Post Inter-BMC rate schedule from the January 8, 2006 Notice 123 Ratefold.
- (b) No. The USPS prices reflect MRS rates (Parcel Post Inter-BMC) and do not include a PRS component.
- (c) No. The UPS prices do not include any charges for pickup.

USPS/PSA-T2-2 Please refer to the table on page 5 of your testimony and the list of various levels of UPS return service shown on pages 6 and 7. What level of UPS return service (from the list on pages 6 and 7) is represented by the UPS prices shown in the table on page 5? If the price shown in the table represents an average or composite of different service levels, please give the shares of each service level in the average or composite. If the service level varies by row in the table, please specify the service level shares for each row.

ANSWER

- (a) Each example in the table reflects the UPS Authorized Return Service (ARS) program, and does not reflect any extra services such as Pickup Attempts or Call-Tags.

- (b) Each UPS pricing example in the table reflects a single UPS service, the Authorized Return Service (ARS) program.

