

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

POSTAL RATE AND FEE CHANGES, 2006

DOCKET NO. R2006-1

**RESPONSES OF WITNESS ANGELIDES TO INTERROGATORIES OF
THE UNITED STATES POSTAL SERVICE
USPS/POSTCOM-T5-1-2**

The Association for Postal Commerce and the Mailing and Fulfillment Service Association (herein collectively "PostCom") hereby provide the responses of Witness Angelides to Postal Service interrogatories USPS/POSTCOM-T5-1 - 2, filed October 4, 2006.

Each interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

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RESPONSES OF POSTCOM WITNESS ANGELIDES TO INTERROGATORIES
OF THE UNITED STATES POSTAL SERVICE

USPS/POSTCOM-T5-1. Please refer to lines 20-23 on page 6 of your testimony, where he contends that a 1.1 pound package weighing 45 percent less than a 2.0 pound package pays the same postage.

(a) Please calculate the difference in costs for the two packages.

(b) If you cannot provide the calculation, please explain why.

RESPONSE:

These questions are unclear. However, as I am interpreting the questions, my answer is as follows:

(a) and (b). Examination of costs that vary by weight for Media Mail and Library Mail was outside the scope of my analysis.

RESPONSES OF POSTCOM WITNESS ANGELIDES TO INTERROGATORIES
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USPS/POSTCOM-T5-2. Please provide a financial summary including volume, cost, revenue, cost coverage, cost per piece, revenue per piece, and contribution per piece for Test Year After Rates using the rate design and cost coverage you proposed for Media Mail and Library Mail.

RESPONSE:

Please refer to Postcom-LR-3, "MM and BPM Summary.xls", "Inputs" worksheet.

For convenience, also see the below table. Consistent with the testimony of USPS witness Yeh, costs, and all calculations that depend on costs, are presented only for the combination of Media Mail and Library Mail. The cost information for Media Mail and Library Mail is based on numbers from witness Yeh.

| | Media Mail | Library Mail |
|------------------------|---------------|---------------|
| Volume | 155,193,879 | 12,337,294 |
| Revenue | \$362,265,201 | \$28,549,171 |
| Revenue per Piece | \$2.3343 | \$2.3141 |
| Cost | | \$390,086,469 |
| Cost Coverage | | 100.2% |
| Contribution | | \$727,902 |
| Contribution per Piece | | \$0.0043 |