

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Notice of Price Adjustment

Docket No. R2009-2

CHAIRMAN'S INFORMATION REQUEST NO. 5

(Issued February 27, 2009)

To clarify the basis of its estimates in its Notice of Price Adjustment, filed February 10, 2009, the Postal Service is requested to provide written responses to the following questions. Answers should be provided to individual questions as soon as they are developed, but no later than March 4, 2009.

1. Please refer to USPS-R2009-2/3 Periodicals Cap Compliance, File: CAPCALC-PER-FY2009.xls, Sheet: Nonprofit BD08.
 - a. Please explain the reason the following cells were either excluded from the calculation of the preferred discount, or were left blank: G79:G80, I79:I80, G85:I86, G92:I93, G101:I102, G107:I108, and G114:G115, and I114:I115.
 - b. If cells were either left blank or excluded from the calculation of the preferred discount in error, please correct the errors and file a revised version of the Excel file.
2. Please refer to USPS-R2009-2/3 Periodicals Cap Compliance, File: CAPCALC-PER-FY2009.xls, Sheet: Classroom BD08.

- a. Please explain the reason the following filed rates for origin-entry of sacks and pallets are equal to their 2008 counterparts: Cells – H79:H80, H85:H86, H92:H93, H101:H102, H107:H108, and H114:H115.
 - b. If these filed rates were entered in error, please file a revised version of the Excel file.
3. Please refer to USPS-R2009-2/3 Periodicals Cap Compliance, File: CAPCALC-PER-FY2009.xls, Sheet: Classroom BD08.
 - a. Please explain the reason why the following cells are not included in the calculation of the preferred discount: G79:G80, G85:G86, G92:G93, G101:G102, G107:G108, G114:G115, I79:I80, I85:I86, I92:I93, I101:I102, I107:I108, I114:I115.
 - b. If they were left blank in error, please file a revised version of the Excel file.
4. Please refer to the following 2 files: (a) USPS-R2009-2/3 Periodicals Cap Compliance, File: CAPCALC-PER-FY2009.xls, Sheet: Within County, Cells C27:C28; and (b) ACR2008, Responses of the United States Postal Service to Questions 1-6 of Commission Information Request No. 3, File: CIR.3.Q.5.Resp.Attach.xls, Sheet: Reports, Cells J25:J26. Please explain which of the two files and cell references have the appropriate volumes for Within County Repositionable Notes and Ride-along Revenue.

5. The following questions refer to USPS-R2009-2/1, CAPCALC-FCM-FY2009.xlsx, tab 'Adjustments'.
 - a. Please confirm that the volume adjustments on this tab represent revisions or corrections to the First-Class Mail billing determinants, as opposed to adjustments to account for classification changes in either FY 2008 or FY 2009. If no, please explain.
 - b. Please explain why the adjustment for Absentee Ballots is applied exclusively to single-piece letters, as opposed to being divided between single-piece letters and single-piece flats, based on available mail characteristics data. (See, e.g., ACR2008, USPS-FY2008-4, 08 FCM BD.xls, tab 'SP-Quarter 1').
 - c. Please explain why the adjustment for First-Class Single-Piece Cards is applied to the volume of stamped Cards, as opposed to other Card rate categories. Also, please identify if and where the corresponding adjustment is made in the Special Services billing determinants for stamped Card fee volume, and reconcile the adjusted volume in the First-Class Mail billing determinants with the Special Services billing determinants.
 - d. Please explain why the adjustment for First-Class Mail flats is applied to single-piece flats as opposed to other flat rate categories.
 - e. Please explain why the adjustment for First-Class Mail parcels is applied to single-piece parcels as opposed to other parcel rate categories.

- f. Please provide a revised copy of the First-Class Mail billing determinants incorporating the adjustments, similar to that provided in response to ACR2008, CIR No. 3, question 5 (February 13, 2009).
6. Please refer to USPS-R2009-2/3 Periodicals Cap Compliance, File: CAPCALC-PER-FY2009.xls, Sheet: Outside County, Cells G77 and I77.
 - a. Please confirm that the percentage rate increase proposed for 5-digit bundles in 5-digit sacks or pallets exceeds 1,600 percent. If not, please explain.
 - b. If so, please provide the Postal Service's rationale for any increase of this magnitude.
 - c. Please provide the Postal Service's rationale for all the other bundle rate increases. These increases appear to range from 51.1 percent to 267.5 percent with most of the increases above 100 percent.

By the Chairman.

Dan G. Blair
Chairman