

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

COMPLAINT OF CAPITAL ONE SERVICES, INC.

Docket No. C2008-3

**SUPPLEMENTAL RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF CAPITAL ONE SERVICES, INC.
(COS/USPS-3)
(March 20, 2009)**

The United States Postal Service hereby provides a supplemental response to the following interrogatory of Capital One Services, Inc., filed on August 8, 2008: COS/USPS-3. The Postal Service initially responded to this interrogatory on September 12, 2008, and hereby supplements that response.

The interrogatory is stated verbatim, and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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March 20, 2009

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COS/USPS-3. Has the Postal Service accrued, accounted for, or provided any discounts to Bank of America under the Bank of America NSA, implemented on April 1, 2008? If so, please provide dates of any accrual, accounting, or provision of such discounts, explain how the amount of discounts was determined, provide the underlying measurements, and describe how those measurements were obtained. If not, please explain why. Please supplement your response as necessary pursuant to Paragraph 15 of the Instructions and Paragraph IV.B.4(a) of the Bank of America NSA

RESPONSE:

For payments made for performance from April 1, 2008, through September 30, 2008, please see the response to Commission Information Request No. 5, Question 7, in Docket No. ACR2008. In addition, a payment of \$1,843,239.02 has been made for performance from October 1, 2008, through December 31, 2008. Please see the attached Excel file for details.

NSA Performance Improvement and Rebate Calculation

Rebate Calculation - 10/1/2008-12/31/2008									
Schedule	Description	NSA Baseline	Volume	Rate	Improvement	Rebate Unit Rate	Rebate Amount		
630A	Scan Rate 1st	96.8%	117,956,988	99.3%	2.5%	\$ 0.00575	\$	678,252.68	
630B	Return Rate 1st - Sch A	0.7%	108,725,508	0.8%	-10.7%	\$ -	\$	-	
630B	Return Rate 1st - Sch B	2.7%	11,025,837	5.8%	-116.3%	\$ -	\$	-	
630C	Forward Rate 1st	1.7%	119,751,345	1.7%	-0.8%	\$ -	\$	-	
630D	Scan Rate Std	96.9%	203,962,632	98.6%	1.7%	\$ 0.00396	\$	807,692.02	
630E	UAA Std	6.4%	210,173,126	2.0%	69.4%	\$ 0.00170	\$	357,294.31	
Rebate Amount							\$ 1,843,239.02		

NSA Volumes and Performance Calculations FY2009**NSA 3rd Quarter
10/1/2008-12/31/2008****First-Class Mail**

Full Quantity	119,751,345
Schedule A Full Quantity	108,725,508
Schedule B Full Quantity	11,025,837
Less Non-Automated	1,794,357
Rebate Eligible Quantity	117,956,988
Scan on Rebate Eligible	117,171,543
Rebate Scan Rate	99.3%
ACS Forward	2,051,362
ACS Forward %	1.7%
ACS Return Mail	1,237,249
Physical Return Mail	249,579
Total Return Mail	1,486,828
Schedule A Return	842,786
Schedule B Return	644,042
Schedule A Return Rate	0.8%
Schedule B Return Rate	5.8%

Standard Mail

Full Quantity	210,173,126
Less Non-Automated	6,210,480
Rebate Eligible Quantity	203,962,646
Scans on Rebate Eligible	201,046,413
Rebate Scan Rate	98.6%
ACS UAA	4,112,122
UAA Rebate Rate	2.0%