

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

Competitive Product Prices  
Bilateral  
Negotiated Service Agreement

Docket No. MC2010-14

Competitive Product Prices  
Canada Post—United States Postal Service  
Contractual Bilateral Agreement for Inbound  
Competitive Services (MC2010-14)  
Negotiated Service Agreement

Docket No. CP2010-13

CHAIRMAN'S INFORMATION REQUEST NO. 1

(Issued December 10, 2009)

Pursuant to 39 C.F.R. § 3015.6, the Postal Service is requested to provide a written response to the attached questions. To assist in the completion of the record, the answers are to be provided as soon as possible, but by no later than December 16, 2009.

1. Please refer to the worksheet tab "01\_Inputs," Cells C107 to F115. Please explain and provide the data that informed the Postal Service's decision for the adjustment factors in the columns headed "08 to '09," "09 to '10," and "11 to '11." If these factors are derived from calculations based on historic data, please provide the calculations.
2. In worksheet tab "04\_Unit\_Cost\_Inputs," the following source is provided for the figure in [Aa]: Summary of FY 2008 IOCS Attributable Costs for Inbound Mail by Category and Terminal Dues Group (Docket No. ACR2008, library reference

PRC-ACR2008-NP-LR3). Please identify the cell(s) in Docket No. ACR2008, library reference PRC-ACR2008-NP-LR3 for the figure referenced in [Aa].

3. Please refer to worksheet tabs “06\_PFP\_QoS 2010” and “07\_PFP\_QoS 2011,” and [Ae] to [Ai], which reference the “2010 Target” and “2011 Target.” Please explain why the 2010 and 2011 targets in [Ae] to [Ai] differ from the targets in Attachment 3 to Postal Service Request entitled “Scanning and On-Time Quality of Service Pay for Performance.”
4. Please refer to worksheet tabs “06\_PFP\_QoS 2010” and “07\_PFP\_QoS 2011,” and [Ba] to [Bi], respectively. Please explain why the “presumed actual” percentages shown in 2010 are the same as the percentages shown in 2011.
5. Please refer to worksheet tabs “08\_PFP\_Prod\_Vis 2010” and “09\_PFP\_Prod\_Vis 2011,” and [Ba] to [Bi], respectively. Please explain why the “projected actual” percentages shown in 2010 are the same as the percentages shown in 2011.
6. Please refer to Attachment B, Management Analysis of Canada Post—United States Postal Service Contractual Bilateral Agreement for Inbound Competitive Services. Also, please refer to worksheet tab “18\_Proj\_Cost & Revenue,” and column [F], “Cost Coverage.”
  - a. Please reconcile the cost coverage for Xpresspost USA cited in the third bullet of Attachment B with the Xpresspost cost coverage calculated in column [F] of the worksheet tab.
  - b. Please reconcile the cost coverage for inbound competitive services from Canada cited in the fourth bullet of Attachment B with the total cost coverage calculated in column [F] of the worksheet tab.

7. For Inbound Surface Parcel Post and Xpresspost, please provide the FY 2009 cost per piece for processing, delivery, and other, even if those per piece costs are preliminary figures.
8. For Inbound Surface Parcel Post and Xpresspost, please provide the FY 2009 cost per kilogram for domestic air transportation and domestic surface transportation, even if those per kilogram costs are preliminary figures.
9. The worksheet tab “03\_Dom\_Tran\_Inputs,” at [Bc], reports that Inbound Surface Parcel Post, *i.e.*, “Foreign Origin – Surface CP,” incurs domestic air transportation costs. Please explain why there are any domestic air transportation costs included in the cost calculations for Inbound Surface Parcel Post.

By the Chairman.

Ruth Y. Goldway