

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

ANNUAL COMPLIANCE REPORT, 2009

Docket No. ACR2009

**RESPONSES OF THE UNITED STATES POSTAL SERVICE TO
QUESTIONS 1-4 OF COMMISSION INFORMATION REQUEST NO. 2**
(February 9, 2010)

Commission Information Request No. 2 was issued on February 2, 2010. Responses were requested by February 9, 2010. Attached are the Postal Service's responses to all four questions. Each request is stated verbatim, and followed by the response.

Respectfully submitted,
UNITED STATES POSTAL SERVICE

By its attorneys:

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February 9, 2010

RESPONSE OF UNITED STATES POSTAL SERVICE
TO COMMISSION INFORMATION REQUEST NO. 2

1. Please update library reference USPS-FY09-30, File "ACR_NSA_FY09_report.xls" tab, 'MC2007-1 Bank of America' to include figures showing the quarterly volume and revenue data for quarters 3 and 4 of FY 2009.

RESPONSE:

There is no volume or revenue to report for this negotiated service agreement in quarter 3 or 4 of FY 2009 because there were no rebates paid to Bank of America in this time period.

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2. In USPS-FY09-30, the Postal Service identifies \$13 million in administrative costs for the Bank of America NSA. Please confirm that this figure includes all costs incurred as a result of the termination of the NSA. If not confirmed, please explain.

RESPONSE:

Confirmed. As information, the Postal Service made no payments to mailers predicated on an entitlement to an NSA functionally-equivalent to any market-dominant NSA operating in FY2009.

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3. In the FY 2009 Annual Compliance Report on page 57, the Postal Service reports administrative costs for IT hardware associated with the Bank of America NSA of approximately \$10 million. Please identify where the original cost of IT hardware, and any appropriate salvage value, are set forth. If that information has not previously been provided, please provide it.

RESPONSE:

The \$10 million cost for IT equipment was originally identified in the Postal Service's supplemental response to question 7 of Commission Information Request No. 5 in the FY 2008 Annual Compliance Report. No salvage value has been estimated or reported for this equipment, because no further use for it has yet been identified.

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4. In the FY 2009 Annual Compliance Report on pages 57-58, the Postal Service discusses the impact of the Bank of America NSA on mail processing efficiency and Bank of America's uptake of IMb technology. Did this NSA have an impact on other operational functions? Please explain.

RESPONSE:

No other impacts have been identified.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

Eric P. Koetting

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