

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

Consideration of Technical Methods to Be  
Applied in Workshare Discount Design

Docket No. RM2010-13

RESPONSES OF THE UNITED STATES POSTAL SERVICE TO  
QUESTIONS 1-2 OF CHAIRMAN'S INFORMATION REQUEST NO. 2  
(June 22, 2011)

The Postal Service hereby files its responses to questions 1-2 posed in  
Chairman's Information Request No. 2, issued on June 17, 2011. Each question is  
stated verbatim, and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Pricing & Product Support

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Eric P. Koetting  
Nabeel Cheema

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2992, FAX: -5402  
June 22, 2011

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 2**

**Q1.** In worksheet 'Delivery.Indicia,' the Postal Service shows the delivery cost for Single-Piece letters and distributes it to three categories: Stamped, Metered, and Other. For cost components 6.1 and 6.2 (columns D and E, respectively), please explain how the Postal Service distributed the total Single-Piece delivery costs to Stamped, Metered, and Other. In doing so, please provide the SAS log and output files that were used to derive the distribution percentages and show all underlying calculations.

**RESPONSE:**

In ChIR No. 1, In-Office Direct Labor costs were distributed to Stamped, Metered, and Other using IOCS questions Q23E02 and Q23E05. Costs for IBI and PVI indicia were combined with Metered costs. In-Office Support costs in 6.2 were distributed to indicia in the same proportion as In-Office Direct Labor costs.

The SAS log and output files are attached and named ChIR.2.Q1.Delivery.Indicia.rtf and ChIR.2.Q1.Delivery.Indicia.xls, respectively. The totals in the attached Excel workbook match the corresponding figures filed in response to ChIR No.1.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 2**

**Q2.** In worksheet 'Collection,' the Postal Service shows the collection cost for Single-Piece letters and distributes it to three categories: Stamped, Metered, and Other. For cost components 6.1 and 6.2 (columns D and E, respectively), please explain how the Postal Service distributed the total Single-Piece collection costs to Stamped, Metered, and Other. In doing so, please provide the SAS log and output files that were used to derive the distribution percentages and show all underlying calculations.

**RESPONSE:**

In ChIR No. 1, In-Office Direct Labor costs for collection were based on the responses to IOCS questions Q16F05, Q16B01C, and Q16E01. In-Office Direct Labor costs were further distributed to Stamped, Metered, and Other using IOCS questions Q23E02 and Q23E05. Costs for IBI and PVI indicia were combined with Metered costs. In-Office Support collection costs in 6.2 were distributed to indicia in the same proportion as In-Office Direct Labor costs.

The SAS log and output files are attached as ChIR.2.Q.2.Collection.Indicia.rtf and ChIR.2.Q.2.Collection.Indicia.xls, respectively. The totals in the attached Excel workbook match the corresponding figures filed in response to ChIR No.1.

## **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.

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Eric P. Koetting

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
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