

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

ANNUAL COMPLIANCE REVIEW, 2012

Docket No. ACR2012

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO  
QUESTION 6 OF CHAIRMAN'S INFORMATION REQUEST NO. 7

The United States Postal Service hereby provides its response to Question 6 of Chairman's Information Request No. 7, issued on February 1, 2013. The question is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 7

**Question 6**

Please explain the difference in the reported figure for Total Market Dominant Special Services Revenue between the FY 2012 Revised Public Cost and Revenue Analysis Report (USPS-FY12-1) and the FY 2012 Revenue, Pieces, and Weight Report (USPS-FY12-42). Please identify the correct revenue figure and specifically explain what the difference is.

**RESPONSE:**

The chart below shows the revenue differences for Total Market Dominant Special Services revenue between the FY 2012 Public Cost and Revenue Analysis (CRA) report and the FY 2012 Revenue, Pieces and Weight (RPW) report.

Three of the products – Change of Address Credit Card Authentication, Confirm, and Stamp Fulfillment Services – are part of the CRA, but not part of the RPW, which explains part of the revenue difference in the two reports. The difference in the revenue reported for Total International Ancillary and Special Services has been explained in the response to Question 5 of this request. The difference in revenue for Money Orders is due to the Money Order Float (\$1,168,026,) which is reported as revenue in the CRA, but not in the RPW.

The difference of \$5,814 in Address Management Services is the result of a combination of differences between the Billing Determinants, which were the source for the CRA revenue, and the RPW. Those differences are:

AIS Viewer – The difference is the result of the RPW including Express Mail Revenue. (\$238)

DMM Labeling List – the difference is the result of \$540 of revenue being reported as a refund in the Billing Determinants and the CRA. (\$1,080)

CASS – The RPW omitted \$1,000 of CASS Revenue. (\$1,000)

FastForward MLOCR – This item was omitted from the Billing Determinants (and the CRA) unintentionally because the service was removed from the MCS during FY2012. (\$24,470)

NCOALink –MPE NCOALink revenue was reported in the NCOALink revenue and volume in the RPW before the product was added to the MCS. The Billing Determinants (and the CRA) did not report revenue for this service before it was added to the MCS. (\$4,782 - this would be higher but the RPW appears to not have captured some refund data.)

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MASS –Revenue for MASS Test Decks was reported in the RPW but was not reported in the Billing Determinants (and the CRA). (\$52,700)

ACY Licensing - ALL AIS Products Unlimited, ACY Licensing Refunds, and AIS Refunds (Inclusive of ALL AIS services except for Viewer were omitted from the RPW. (\$88,085)

**MARKET DOMINANT SERVICES REVENUE IN PUBLIC CRA REPORT AND RPW (\$000)**

Ancillary Services	CRA Rpt	RPW	Difference
<b>Certified Mail</b> .....	662,806.445	662,806.445	
<b>COD</b> .....	5,926.666	5,926.666	
<b>Insurance</b> .....	108,509.675	108,509.675	
<b>Registered Mail</b> .....	39,477.066	39,477.066	
<b>Stamped Envelopes</b> .....	16,584.487	16,584.487	
<b>Stamped Cards</b> .....	2,117.462	2,117.462	
<b>Other Ancillary Services</b> .....	696,702.653	696,702.653	
<b>Total Domestic Ancillary Services</b> .....	1,532,124.454	1,532,124.454	
<b>Total International Ancillary and Special Services</b> ....	30,011.741	29,435.201	576.540
<b>Special Services:</b>	-		
<b>Address Management Services</b> .....	15,869.405	15,863.591	5.814
<b>Caller Service</b> .....	92,490.305	92,490.305	-
<b>Change of Address Credit Card Authentication</b> .....	13,543.594		13,543.594
<b>Confirm</b> .....	843.100		843.100
<b>Customized Postage</b> .....	900.000	900.000	-
<b>Money Orders</b> .....	166,260.913	165,092.887	1,168.026
<b>Post Office Box Service</b> .....	481,566.624	481,566.624	-
<b>Stamp Fulfillment Services</b> .....	3,298.493		3,298.493
<b>Other Special Services</b> .....	-		
<b>Total Special Services</b> .....	774,772.434	755,913.407	
<b>Total Market Dominant Services</b> .....	2,336,908.629	2,317,473.062	19,435.567