

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

NOTICE OF MARKET-DOMINANT  
PRICE ADJUSTMENT

Docket No. R2015-4

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO  
QUESTIONS 1 OF CHAIRMAN'S INFORMATION REQUEST NO. 15**  
(March 3, 2015)

The United States Postal Service hereby provides its response to question 1 of Chairman's Information Request No. 15, issued on February 25, 2015. The question is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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1. In the Notice, the Postal Service states that it plans to offer DFSS prices to FSS Scheme Bundles entered on scheme containers at the DFSS. *Id.* Attachment A, Part I, at 73, n.2. For FSS Scheme Bundles entered on non-scheme containers at the DFSS, the Postal Service proposes applying DSCF prices. *Id.* The Postal Service explains that the FSS pricing is set to encourage mailers to create FSS scheme bundles within FSS zones. Notice at 30. Additionally, the Postal Service proposes to eliminate the option for DFSS pricing for flats that are not destined for FSS zones. *Id.* Attachment A, Part I at 73.
  - a. Please confirm that mailers were not required to presort FSS scheme bundles into FSS scheme containers to qualify for DFSS prices in FY 2014. If not confirmed, please explain.
  - b. Please confirm that because DSCF prices and DFSS prices were the same in FY 2014, mailers had no price incentive to identify DFSS presorted flats separately from DSCF presorted flats. If not confirmed, please explain.
  - c. Please confirm that the BPM Flats billing determinants do not disaggregate DFSS presorted flats from DSCF presorted flats for FY 2014. If not confirmed, please explain.
  - d. Please provide the volume of BPM Flats entered at DFSS prices in FSS scheme containers after the implementation of Docket Nos. R2013-10 and R2013-11 price adjustments.
  - e. Please revise the Package Services cap calculation workpapers to account for the volume of BPM Flats entered at DFSS prices in FSS scheme containers for all of FY 2014.

**RESPONSE:**

- a. Not confirmed. In 2014 mailers were required to presort FSS Scheme bundles into FSS Scheme containers (pallets).

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- b. Confirmed. Although DSCF and DFSS prices were the same in FY 2014, FSS preparation (bundle and container) was required for volume destinating in FSS zones.
- c. Not confirmed. See *ChIR 14 Qu5 Response.xlsx*, tab "BD's for BPM Presort Flats", Cells P23, Q23, U23 and W23. Also see *BPM BDs FY2014-REV 3-03-15.xlsx*, tab "Presort Flats BD", cells M17 and N17, filed today in Docket No. ACR2014.
- d. See *BPM BDs FY2014-REV 3-03-15.xlsx*, tab "Presort Flats BD", cell N17 filed today in Docket No. ACR2014.
- e. See *ChIR 14 Qu5 Response.xlsx*, tab "BD's for BPM Presort Flats", Cells Q23 and V23.