

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

MARKET TEST OF EXPERIMENTAL PRODUCT –
CUSTOMIZED DELIVERY

Docket No. MT2014-1

**NOTICE OF THE UNITED STATES POSTAL SERVICE OF
FILING RESPONSE TO CHAIRMAN'S INFORMATION REQUEST NO. 7,
QUESTION 7**
(August 24, 2016)

The United States Postal Service hereby provides notice of filing its response to Question 7 of Chairman's Information Request (CHIR) No. 7, which was issued on July 14, 2016. Responses were due by July 21, 2016. The question is reprinted verbatim in the attached, and is followed by the Postal Service's response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

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

7. Please explain why administrative costs changed between Quarter 1 and Quarter 2 of FY 2016.

RESPONSE:

IT development funds necessary for the build out of the Customized Delivery market test were not immediately available at the start of FY 2016, and had not been released for the IT department to use. Once the funds were released in December 2016, they were put to use in Quarter 2 of FY 2016. The difference in the administrative costs between Quarter 1 and Quarter 2 is a result of these IT funds being put to use in Quarter 2.