

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS TAUFIQUE
TO INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-T32-17 AND 18)

The United States Postal Service hereby files the responses of witness
Altaf H. Taufique to the following interrogatories of the Office of the Consumer
Advocate: OCA/USPS-T32-17 and 18, filed on July 5, 2006.

The interrogatories are stated verbatim and are followed by the
responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TAUFIQUE
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-T32-17. The existing additional ounce rates for presorted, automation letters and automation flats (\$0.237) differed by \$0.003 from that of single-piece First-Class mail (\$0.24). In light of the previous \$0.003 cent rate difference between First-Class single piece letters and presorted letters, please explain why the proposed difference between the additional ounce rate for Single-Piece letters (\$0.20) and presorted letters (\$0.155) has increased to \$0.045.

RESPONSE

My testimony (USPS-T-32 at page 25) discusses the rationale for the proposed single-piece additional ounce rate; and on pages 38 and 39, I discuss the workshare or presort additional ounce rate. In light of the rate design changes proposed by the Postal Service regarding the recognition of shapes, I have proposed a reduction in the additional ounce rates for all rate categories, but the reduction for Automation Letters was larger than other presort and single-piece rate categories, and that rationale is discussed on page 39, lines 2 through 6.

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OCA/USPS-T32-18. Your testimony at page 4, states: “Historically, the additional ounce rate bore, not only the cost of additional weight, but also recovered the cost caused by differences in shapes. As the Postal Service explicitly recognizes the shape differences in First-Class Mail rates, the additional ounce rate may be reduced as illustrated in the instant request.” The following interrogatories refer to pages 6 and 7 of your testimony.

- a. Please explain why the proposed First-Class automation letter additional ounce rate (\$0.155) is less than the proposed additional ounce rate for First-Class single-piece letters (\$0.20).
- b. Please explain why the proposed First-Class automation letter additional ounce rate (\$0.155) is less than the proposed additional ounce rate for First-Class automation flats (\$0.20).
- c. Please explain why the proposed First-Class automation letter additional ounce rate (\$0.155) is less than the proposed additional ounce rate for First-Class mail business parcels (\$0.20).

RESPONSE

a-c. Please see my response to OCA/USPS-T32-17, above.