

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-18)**

The United States Postal Service hereby provides its response to the following interrogatory of the Office of the Consumer Advocate, filed on July 5, 2006.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE

OCA/USPS-18. This interrogatory seeks information on Decision Analysis Reports (DAR) presented to the Board of Governors.

- a. For DARs presented to the Board of Governors during Fiscal Years 2003, 2004, and 2005, please provide a table categorizing investments by type and the target rate of return (e.g., "hurdle" rate), or range of rates of return, for each type of investment.
- b. For DARs presented to the Board of Governors during Fiscal Years 2003, 2004, and 2005, please provide the total number of DARs on which the table requested in part a., above, is based.

RESPONSE:

- a. There are no targets by type of investment. Each DAR is evaluated individually.

Consolidated ROIs for each category cannot be calculated since the projects have different operating/analysis periods, and service lives.

- b. The total number of DARs and the type of investment approved by the Board of

Governors were as follows:

FY03: 18 (13 Equipment, 2 Facility, 3 Other)

FY04: 21 (11 Equipment, 8 Facility, 2 Other)

FY05: 12 (8 Equipment, 4 Facility)