

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

POSTAL RATE AND FEE CHANGES

Docket No. R2006-1

**INSTITUTIONAL RESPONSE OF UNITED STATES POSTAL SERVICE TO  
INTERROGATORY OF MAJOR MAILERS ASSOCIATION: MMA/USPS-20**  
(July 28, 2006)

The United States Postal Service hereby provides its institutional response to the following interrogatory of Major Mailers Association: MMA/USPS-20, filed on July 14, 2006.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

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July 28, 2006

Institutional Response of United States Postal Service to Interrogatory of Major  
Mailers Association

**MMA/USPS-20**

Please refer to USPS witness Abdirahman's response to Interrogatory MMA/USPS-T22-19. He was asked to provide the average mail processing hourly wage rate and premium pay adjustment factors for First-Class and Standard mail for several fiscal years. His response did not provide the requested information. Instead, he referred generally to testimony in several rate proceedings. In addition, USPS witness Abdirahman stated his understanding that (1) wage rates are only calculated for the base and test years of rate cases, and (2) test year premium pay adjustment factors are never calculated for test years.

A. Please confirm all information in the following table and fill in the fields that have not been completed. If you cannot confirm the information provided, please provide a revised table with corrections.

**Average Clerk / Mailhandler Wage Rates  
Used And Projected By The United States Postal Service  
In Docket Nos. R2000-1, R2001-1, R2005, And R2006-1**

DOCKET NO.	BASE YEAR	FISCAL YEAR	DATA SOURCE	AVERAGE CLERK – M/H WAGE RATE
R2000-1	1998	1998 (Actual)	USPS LR-I-127	\$ 24.88
R2000-1	1998	1999 (Projected)	USPS LR-I-127	\$ 25.90
R2000-1	1998	2000 (Projected)	USPS LR-I-127	\$ 26.95
R2000-1	1998	2001 (Projected)	USPS LR-I-127	\$ 27.97
R2000-1	1999	1999 (Actual)-Order 1294	USPS LR-I-421	\$ 25.88
R2000-1	1999	2000 (Projected)-Order 1294	USPS LR-I-421	\$ 26.99
R2000-1	1999	2001 (Projected)-Order 1294	USPS LR-I-421	\$ 28.45
R2001-1	2000	2000 (Actual)	USPS LR-J-50	\$ 27.07
R2001-1	2000	2001 (Projected)	USPS LR-J-50	\$ 28.44
R2001-1	2000	2002 (Projected)	USPS LR-J-50	\$ 29.57
R2001-1	2000	2003 (Projected)	USPS LR-J-50	\$ 30.77
R2005-1	2004	2004 (Actual)		
R2005-1	2004	2006 (Projected)	USPS-LR-K-55	\$ 35.77
R2006-1	2005	2005 (Actual)		
R2006-1	2005	2008 (Projected)	USPS-LR-L-55	\$ 37.99

B. Please confirm that the specific premium pay adjustment factors that are calculated for the base year in a particular rate proceeding are also used for the test year in that proceeding. If no, please provide the premium pay adjustment factors for the fiscal years covered in Parts (C) and (D) of MMA.USPS-T22-19.

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C. Please confirm that wage rates are only calculated for the base and test years in rate proceedings. If no, please provide wage rates for all fiscal years covered by Parts (A) and (B) of MMA.USPS-T22-19.

**RESPONSE.**

a. The base year wage rates from LR-K-55 which correspond to the test year wage rates listed in your table are as follows:

R2005-1	2004	2004 (Actual)	USPS-LR-K-55	\$ 33.27
R2005-1	2004	2006 (Projected)	USPS-LR-K-55	\$ 35.77
R2006-1	2005	2005 (Actual)	USPS-LR-L-55	\$ 34.13
R2006-1	2005	2008 (Projected)	USPS-LR-L-55	\$ 37.99

Please note that the table in the interrogatory mixes two types of wage rates. The wage rates listed for R2000-1 and R2001-1 are the average wage rates for clerks and mailhandlers, while the wage rates listed for R2005-1 and R2006-1 are referred to as 'disaggregated' wage rates, which exclude the Remote Encoding Centers and the Window Services.

The average wage rates from USPS-LR-L-50 are as follows:

R2005-1	2004	2004 (Actual)	USPS-LR-K-50	\$ 33.09
R2005-1	2004	2006 (Projected)	USPS-LR-K-50	\$ 35.58
R2006-1	2005	2005 (Actual)	USPS-LR-L-50	\$ 33.98
R2006-1	2005	2008 (Projected)	USPS-LR-L-50	\$ 37.82

b. Confirmed.

c. The 'disaggregated' wage rates are calculated only for the base and test years in rate proceedings. The average wage rates are calculated for the base and test years in rate proceedings and for interim years between the base and test years.

## CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

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