

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSES OF POSTAL SERVICE WITNESS TANG
TO INTERROGATORIES OF THE MCGRAW-HILL COMPANIES, INC.
(MH/USPS-T35-16-17)

The United States Postal Service hereby files the responses of witness Tang to the above listed interrogatories, filed on July 14, 2006.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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RESPONSE OF POSTAL SERVICE WITNESS TANG
TO INTERROGATORY OF THE MCGRAW-HILL COMPANIES, INC.

MH/USPS-T35-16. Please refer to USPS-LR-L-158, Standard Operating Procedures for Periodicals Processing, at page 3. The second paragraph discusses a new requirement (effective July 6, 2006) that Periodicals mailers separate out origin mixed ADC flats from other mixed ADC flats – “[s]plitting the pieces into two separate bundles and the bundles into two separate sacks” – so that origin mixed ADC flats (having destinations closer to the entry office than other mixed ADC flats) can be sent to facilities designated in labeling list L201 for processing with First-Class mail receiving surface transportation, while other mixed mail sacks are sent to more distant facilities. (See also *Postal Bulletin* 22166 [10-27-05] at page 6). Please state whether the proposed 85¢ container charge would be applied to both origin mixed ADC sacks and other mixed ADC sacks that, under the new rule, mailers are no longer permitted to consolidate, and explain the rationale fully.

RESPONSE:

As stated in my response to MH/USPS-T35-5(a), the proposed container charge is an integral part of the rate structure. Its existence allows for other rate elements to be lower than they otherwise would be, so it must apply to all mailings. The proposed container rate would therefore apply to mailings comprised of mixed ADC sacks.

It is my understanding that this new requirement would result in no more than one additional sack. See witness McCrery’s response to MH/USPS-T42-3.

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MH/USPS-T35-17. Please explain whether it may be practicable and appropriate to establish a discount from the proposed container charge in circumstances such as those described in MH/USPS-T35-16 and/or MH/USPS-T35-5.

RESPONSE:

It is likely that any additional rate elements regarding the container rate would add unwarranted complexity. Please see my responses to MH/USPS-T35-5 and 16.