

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

REVISED RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF VALPAK DIRECT MARKETING SYSTEMS, INC. AND
VALPAK DEALERS' ASSOCIATION, INC.
VP/USPS-2 [ERRATA]
(August 23, 2006)

The United States Postal Service hereby provides its revised response to the following interrogatory: VP/USPS-2, filed on July 13, 2006.

The interrogatory is stated verbatim and followed by the response:

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking

Kenneth N. Hollies
Attorney

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-3083; Fax -3084
khollies@usps.gov

**REVISED RESPONSE OF THE UNITED STATES POSTAL SERVICE TO INSTITUTIONAL
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DEALERS' ASSOCIATION, INC.**

VP/USPS-2.

Please refer to the response to VP/USPS-T3-4, redirected to the Postal Service from witness Pafford.

- a. Regarding the data on DALs for March and April 2006 that were extracted by an analysis of PostalOne, what percentage of the total volume of ECR mail was represented by the facilities that reported the DAL volume through PostalOne in that special analysis?
- b. Will the DAL data collection process described by witness Kiefer in his rebuttal testimony (USPS-RT-1, p. 32, ll. 11-15) in Docket No. R2005-1 be completed by the end of FY 2006? If not, by what date does the Postal Service expect to finish the process?
- c. Please provide an estimate of the volume of DALs for the five months from May 2006 through September 2006, as soon as it can be made available.
- d. If analysis of the volume of DALs during any of the months within the period May 2006 through September 2006 can be generated prior to the hearings on the Postal Service case-in-chief (currently scheduled to begin August 2, 2006), please provide that analysis by such date.

RESPONSE

- a. In April and May of 2006 97.1 percent of Standard ECR Mail is was represented by the facilities that reported DAL volume through PostalOne! in the special analysis.
- b. The current expectation is, "yes."
- c. The requested data are not available.
- d. Adding PostalOne data on DALs from the months of May and June to that previously summarized in the Postal Service's response to VP/USPS-T30-3 yields the following results from the four-month period of March-June 2006. For that period, the commercial Standard Mail categories with an arguably material proportion of RPW pieces indicating DAL usage are:

ECR Saturation Non-Letter DBMC	3.8 percent
ECR Saturation Non-Letter DDU	40.1 percent
ECR Saturation Non-Letter DSCF	20.5 percent
ECR Saturation Non-Letter	2.7 percent
ECR High Density Non-Letter DDU	7.7 percent

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ECR High Density Non-Letter DSCF	2.2 percent
ECR High Density Non-Letter	2.6 percent

(For purposes of the proportions above, all pound-rated pieces are grouped with non-letters. Thus, for example, the universe from which the 40.1 percent is calculated is all Saturation DDU pieces, except for piece-rated Saturation DDU letters.) Comparing these March-June results with the March-April results reported earlier shows only minor variation. For the four-month period, the number of total Standard Mail pieces indicating DAL usage was 1,235.769 million.