

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KELLEY
TO INTERROGATORY OF PSA (PSA/USPS-T30-1)
(July 7, 2006)

The United States Postal Service hereby provides the response of witness Kelley to the following interrogatory of PSA, filed on June 23, 2006: PSA/USPS-T30-1.

Each 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

Eric P. Koetting

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2992, FAX -5402
July 7, 2006

Response of Postal Service Witness Kelley to Interrogatories Posed by the
Parcel Shippers Association

PSA/USPS-T30-1. Please refer to Table 1 on Page 4 of your testimony, which shows Test Year unit delivery costs by rate category. Please explain why the unit cost for First-Class Mail Presort parcels is higher than the unit cost for First-Class Mail single-piece parcels.

Response

The test year unit delivery costs, as reported in Table 1 of USPS-LR-L-67, are 35.790 and 35.094 cents for First Class Presort parcels and First Class Single Piece parcels, respectively. The difference between the unit delivery costs is only 0.7 cent, so I don't see what there is to explain. Both categories are quite similar in terms of the proportion of volume delivered by city and rural carriers, and in the split between small and large parcels on city routes.

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.

Eric P. Koetting

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