

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

EVOLUTIONARY NETWORK DEVELOPMENT
SERVICE CHANGES, 2006

Docket No. N2006-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SHAH
TO QUESTION POSED BY THE OFFICE OF THE CONSUMER ADVOCATE
DURING HEARINGS ON JULY 18, 2006

The United States Postal Service hereby gives notice that it is filing the response of witness Pranab Shah to a question posed by the OCA during hearings on July 18, 2006, at the following transcript citation: Tr. 2/239-40. The question is paraphrased and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux
Chief Counsel, Ratemaking

Michael T. Tidwell

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2998; Fax -5402
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michael.t.tidwell@usps.gov

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SHAH
TO QUESTION POSED BY OFFICE OF THE CONSUMER ADVOCATE
AT HEARINGS**

Tr. 2/239-40 ---- QUESTION:

Refer to the response to OCA/USPS-T1-31 and the attachment bearing the caption "Solution Summary". About four lines from the top, there's a line that reads "Optimization Gap" and the data says 53.91 percent. Could you just explain that?

RESPONSE

In a Minimize Cost Optimization, the solver is continuously generating upper and lower bounds. An upper bound is the cost of the best solution found to date of the problem. The lower bound represents a mathematically probable lower limit to the solution to the problem. There are many techniques to generating lower bounds. The Optimization Gap represents the percentage difference between the upper and lower bounds at the point at which the optimization run has ended.