

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

POSTAL RATE AND FEE CHANGES

Docket No. R2006-1

REVISED RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS KIRK KANEER TO PRESIDING OFFICER'S  
INFORMATION REQUEST NO. 9, QUESTION 4  
(August 8, 2006) [Errata]

The United States Postal Service hereby provides witness Kirk Kaneer's revised response to Presiding Officer's Information Request (POIR) No. 9, Question 4, issued July 25, 2006. The revision, which replaces the last paragraph of the response, expands and clarifies discussion of the relationship between Tables 2 and 3, so that it now reads:

The Excel file provided with this response, "POIR\_9\_Q4b.xls", contains a single spreadsheet with cells showing the exact calculations that aggregate forecast revenues to planned fee groups in Table 2, which was originally provided in the response to POIR 6, Question 4. Table 2 and Table 3 below show cell values for POIR\_9\_Q4b.xls. Each cell in Table 3 below represents the estimated revenues for each post office box size and fee group transition path. Each cell in Table 2 shows the sum of the revenues in Table 3 for the corresponding size box and destinating group (destinating group is the second number in Table 3, column (a)). So, for example, the \$31,611,997 from Table 2, column (b), row 1, is the sum of \$27,233,710 and \$4,378,286 from the "1 to 1" and "2 to 1" rows in Table 3 (with the sum of cents – which are not visible – from each of those values accounting for the extra dollar). Note: Caller Service and Reserve Number revenues were not included in response to POIR NO. 6, Question 4 since only post office boxes revenues were referred to in USPS-LR-L-123.

The question is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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TO PRESIDING OFFICER'S INFORMATION REQUEST No. 9, QUESTION 4

- POIR9, Q4.** Please refer to witness Kaneer's answer to question 4 of the Response of the United States Postal Service to Presiding Officer's Information Request No. 6 dated July 7, 2006.
- a. Please provide the names of the sheets in the workbook labeled SPS-LR-L-125, Part E, which contain the tables supplied in witness Kaneer's response. Please identify the exact cells of those sheets that contain the tables.
  - b. Please provide the calculation, including the figures used as well as an explanation of what the figures represent, for every cell in Table 2: Post Office Box, Caller Service, and Reserve Number – TYAR Revenue Forecasting.

**RESPONSE:**

- a. Cell references can be provided for each of the values in the tables. For Table 1 given in response to POIR No. 6, Question 4, please see USPS-LR-L-125, Part E, workbook tab "S7-BRCurrForecast – FY2008", worksheet cells C67 to G73. For Table 2, also given in response to POIR No. 6, Question 4, please see USPS-LR-L-125, Part E, workbook tab "S21-ARPropForecast – FY2008", worksheet cells C115 to G133.
- b. The Excel file provided with this response, "POIR\_9\_Q4b.xls", contains a single spreadsheet with cells showing the exact calculations that aggregate forecast revenues to planned fee groups in Table 2, which was originally provided in the response to POIR 6, Question 4. Table 2 and Table 3 below show cell values for POIR\_9\_Q4b.xls. Each cell in Table 3 below represents the estimated revenues for each post office box size and fee group transition path. Each cell in Table 2 shows the sum of the revenues in Table 3 for the corresponding size box and destinating group (destinating group is the second number in Table 3, column (a)). So, for example, the \$31,611,997 from Table 2, column (b), row 1, is the sum of \$27,233,710 and \$4,378,286 from the "1 to 1" and "2 to 1" rows in Table 3 (with the sum of cents – which are not visible – from each of those values accounting for the extra dollar). Note: Caller Service and Reserve Number revenues were not included in response to POIR NO. 6, Question 4 since only post office boxes revenues were referred to in USPS-LR-L-123.

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Table 2: Post Office Box - TYAR Revenue Forecast as shown in response to POIR #6, Question 4.

row/col.	(a)	(b)	(c)	(d)	(e)	(f)	
	Planned Fee Group	Size 1 Revenue	Size 2 Revenue	Size 3 Revenue	Size 4 Revenue	Size 5 Revenue	Total [1]
(1)	1	\$31,611,997	\$22,565,582	\$9,844,493	\$2,756,559	\$747,814	\$67,526,446
(2)	2	\$38,289,679	\$17,642,343	\$10,886,711	\$3,377,130	\$938,669	\$71,134,532
(3)	3	\$83,257,907	\$52,685,974	\$32,792,309	\$11,245,396	\$3,620,682	\$183,602,268
(4)	4	\$105,229,157	\$74,936,782	\$37,794,618	\$13,543,136	\$5,276,534	\$236,780,226
(5)	5	\$110,671,014	\$64,347,534	\$33,579,652	\$7,823,624	\$2,254,807	\$218,676,631
(6)	6	\$28,536,571	\$18,614,271	\$8,598,850	\$1,758,204	\$401,242	\$57,909,138
(7)	7	\$6,648,211	\$4,904,556	\$2,209,968	\$404,349	\$78,109	\$14,245,193
(8)	E	\$0	\$0	\$0	\$0	\$0	<b>\$849,874,435</b>

Note: Table sums TYAR revenue by planned fee group, see USPS-LR-L-125, Part E, Page 232, Table 5.

Table 3: Post Office Box - TYAR Revenue Forecast as shown in USPS-LR-L-125

row/col.	(a)	(b)	(c)	(d)	(e)	(f)	
	Path	Size 1 Revenue	Size 2 Revenue	Size 3 Revenue	Size 4 Revenue	Size 5 Revenue	Total [1]
(1)	1to1	\$27,233,710	\$20,173,657	\$8,402,242	\$2,335,116	\$675,246	\$58,819,971
(3)	2to1	\$4,378,286	\$2,391,926	\$1,442,251	\$421,443	\$72,568	\$8,706,474
(2)	1to2	\$4,479,796	\$1,964,703	\$1,063,756	\$361,930	\$107,803	\$7,977,989
(4)	2to2	\$24,261,751	\$11,191,866	\$7,182,083	\$2,231,882	\$621,096	\$45,488,678
(6)	3to2	\$9,548,132	\$4,485,774	\$2,640,872	\$783,318	\$209,770	\$17,667,866
(5)	2to3	\$4,251,533	\$2,340,657	\$1,517,966	\$545,707	\$162,833	\$8,818,697
(7)	3to3	\$70,976,398	\$44,345,399	\$27,213,417	\$9,273,939	\$2,928,578	\$154,737,730
(9)	4to3	\$8,029,976	\$5,999,918	\$4,060,926	\$1,425,750	\$529,272	\$20,045,841
(8)	3to4	\$8,798,425	\$5,632,318	\$3,189,186	\$1,439,566	\$526,050	\$19,585,545
(10)	4to4	\$71,015,114	\$51,792,348	\$27,230,270	\$10,626,905	\$4,246,939	\$164,911,577
(12)	5to4	\$25,415,618	\$17,512,116	\$7,375,161	\$1,476,665	\$503,545	\$52,283,104
(11)	4to5	\$19,330,875	\$11,845,293	\$7,920,713	\$3,179,754	\$1,157,104	\$43,433,739
(13)	5to5	\$10,427,258	\$6,589,292	\$3,724,097	\$1,252,542	\$370,575	\$22,363,764
(15)	6to5	\$80,912,881	\$45,912,949	\$21,934,841	\$3,391,328	\$727,128	\$152,879,128
(14)	5to6	\$2,413,828	\$1,595,458	\$1,103,013	\$513,647	\$148,366	\$5,774,311
(16)	6to6	\$19,139,493	\$11,860,835	\$5,262,556	\$838,523	\$163,914	\$37,265,321
(18)	7to6	\$6,983,250	\$5,157,978	\$2,233,281	\$406,034	\$88,962	\$14,869,505
(17)	6to7	\$5,241,471	\$3,854,818	\$1,688,969	\$302,943	\$59,107	\$11,147,308
(19)	7to7	\$1,406,740	\$1,049,738	\$520,999	\$101,406	\$19,002	\$3,097,886
(20)	E	\$0	\$0	\$0	\$0	\$0	\$0
(21)	TOTAL	\$404,244,536	\$255,697,042	\$135,706,600	\$40,908,398	\$13,317,858	<b>\$849,874,435</b>

Note: Data excerpted from USPS-LR-L-125, Part E, Page 232, Table 5.