

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

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POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

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RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS O'HARA TO  
INTERROGATORY OF THE NEWSPAPER ASSOCIATION OF AMERICA,  
(NAA/USPS-T31-9)

The United States Postal Service hereby files the response of witness O'Hara to the above-listed interrogatory, filed on August 15, 2006.

The interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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August 29, 2006

# RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS O'HARA TO INTERROGATORY OR NEWSPAPER ASSOCIATION OF AMERICA

## NAA/USPS-T31-9.

Please refer to your response to ABA-NAPM/USPS-T31-1, filed August 4, 2006. For the categories of mail presented in that interrogatory, please provide the average unit contribution per piece (as measured by the Postal Service, that is, revenue minus volume variable cost) for the years 1994 through FY2007BR.

## RESPONSE:

### Unit Contribution For First Class and Standard Mail

Year	First-Class Mail <u>Letters</u>			Standard Mail			
	Total Mail	Total	Single- Piece	Presort	Total <u>excl. SP</u>	Regular <u>+ NP</u>	ECR <u>+ NECR</u>
1994	0.087	0.115	0.109	0.127	0.032	0.011	0.054
1995	0.094	0.133	0.128	0.142	0.040	0.027	0.056
1996	0.097	0.135	0.129	0.144	0.045	0.026	0.066
1997	0.094	0.117	0.109	0.128	0.022	(0.017)	0.066
1998	0.109	0.133	0.129	0.140	0.159	0.167	0.150
1999	0.110	0.156	0.131	0.196	0.063	0.050	0.079
2000	0.131	0.175	0.178	0.171	0.059	0.057	0.079
2001	0.130	0.178	0.187	0.166	0.061	0.044	0.082
2002	0.122	0.172	0.176	0.167	0.054	0.042	0.071
2003	0.126	0.177	0.177	0.177	0.061	0.048	0.078
2004	0.128	0.179	0.178	0.179	0.064	0.050	0.084
2005	0.133	0.188	0.188	0.188	0.066	0.053	0.084
FY06BR	0.141	0.208	0.250	0.212	0.083	0.080	0.087
FY07BR	0.141	0.202	0.205	0.214	0.082	0.080	0.087
TY08AR	0.165	0.235	0.242	0.230	0.100	0.100	0.100

### Sources:

FY 1994 through FY 2005: USPS Cost and Revenue Analyses & Cost Segments and Components reports for the indicated years.

FY06BR: USPS-LR-L-174, \_BR Rate Level Workpapers.xls, tab "BR 2006 Rev & Cost"

FY07BR: USPS-LR-L-174, \_BR Rate Level Workpapers.xls, tab "BR 2007 Rev & Cost"

TY08AR: USPS-LR-L-174, \_AR Rate Level Workpapers.xls, tab "AR 2008 Rev & Cost"