

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

RATE AND SERVICE CHANGES TO IMPLEMENT
BASELINE NEGOTIATED SERVICE AGREEMENT
WITH BANK OF AMERICA CORPORATION

Docket No. MC2007-1

**RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS AYUB TO INTERROGATORIES OF THE OFFICE OF CONSUMER
ADVOCATE (OCA/USPS-T1-18-20)
(March 9, 2007)**

The United States Postal Service hereby provides the response of witness Ayub to the following interrogatories of the Office of Consumer Advocate: OCA/USPS-T1-18-20, filed on February 23, 2007. The interrogatories are stated verbatim and are followed by the response.

UNITED STATES POSTAL SERVICE

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INTERROGATORIES OF THE OFFICE OF CONSUMER ADVOCATE**

OCA/USPS-T1-18. Please refer to your testimony at Appendix A, "Input Data," Page 3.

- a. Please refer to Line [10]. For the costs of a "OneCode Electronic Notice" for First-Class Mail and Standard Mail, please provide a citation to a table name and number, and an Excel workbook file and spreadsheet in Docket No. R2006-1, USPS LR-L-62.
- b. Please refer to Lines [9] and [10]. Please define and explain the terms "Electronic Letter Returns," and "OneCode Electronic Notice," and discuss the differences between the two.

RESPONSE:

- a. Witness Sam Cutting in USPS-T-26, at 12-15 in Docket No. R2006-1, provides cost information and analysis on "OneCode Electronic Notice" for First-Class Mail and Standard Mail. Information on the costs for "OneCode Electronic Notice" for First-Class Mail and Standard Mail is also found in Table 5 on page 12 and Table 6 on page 15 of his testimony. In USPS-LR-L-62, Table 5.4 provides detailed unit cost information on the "OneCode Electronic Notice" and Table 5.12 provides detailed unit cost information on "Electronic Letter Returns".
- b. The terms "Electronic Letter Returns" and "OneCode Electronic Notice" refer to two different processes the Postal Service uses to provide its customers with ACS notices. Understanding the difference between these terms requires an explanation of the unit costs associated with each process.

The term "OneCode Electronic Notice" refers only to the activities undertaken by the Postal Service to process electronic Address Change Service ("ACS") notices. The unit cost for each "One Code Electronic Notice" is based on the costs associated with providing an ACS notice to the mailer via the Intelligent Mail Barcode. The unit cost for "Electronic Letter Returns" refers to all other components of the UAA process as described in USPS-T-26, at 14 in Docket No.

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R2006-1. This testimony also contains an analysis on “electronic letter returns.”

My cost methodology for this NSA, which includes the addition of all UAA processing costs to the cost of providing an electronic ACS notice, is consistent with the cost methodology used in previous NSAs

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OCA/USPS-T1-19. Please refer to your testimony at Appendix A, "Input Data," Page 3. Please refer to Line [11]. For the cost of "USPS Forwarding, Letters" for First-Class Mail, please provide a citation to a table name and number, and an Excel workbook file and spreadsheet in Docket No. R2006-1, USPS LR-L-62.

RESPONSE:

Please refer to xls workbook "PARS08," Class Tabs_v, Tables 4.2 and 4.5 in Docket No. R2006-1, USPS LR-L-62.

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OCA/USPS-T1-20. Please refer to your testimony at Appendix A, "Confirm Pricing," Page 16.

- a. Please confirm that the estimated "Total Fees" in Line [10] assumes Bank of American (BAC) would not be a CONFIRM service subscriber in the absence of the proposed NSA. If you do not confirm, please explain.
- b. Please provide the total amount of CONFIRM service fees that would be received by the Postal Service from BAC in Fiscal Years 2007, 2008, and 2009, assuming BAC does not enter into the proposed NSA.

RESPONSE:

- a. Confirmed.
- b. I am unable to answer the question as posed because BAC is not a CONFIRM subscriber at this time. Therefore, there is no revenue from BAC for CONFIRM. However, BAC does utilize CONFIRM on some mailings through third-party service providers.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

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