

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

SECOND NOTICE OF THE UNITED STATES POSTAL SERVICE  
CONCERNING THE FILING OF ERRATA  
IN THE FINAL VERSION OF  
THE TESTIMONY OF WITNESS TAUFIQUE (USPS-T-32) [ERRATA]  
(August 29, 2006)

The United States Postal Service hereby gives notice that it is correcting two errors in the testimony of witness Altaf Taufique (USPS-T-32) as indicated below.

Change

Page 3, Line 16           “228” to “229”

Page 3, Line 17           “177” to “176”

A corrected page is attached.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

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1 derivation of proposed rates, and the calculation of test year volumes and  
2 revenues. USPS LR-L-130 is associated with the calculation of volume and  
3 revenue adjustments related to Negotiated Service Agreements.

4 **III. FIRST-CLASS MAIL RATE PROPOSALS**

5 First-Class Mail consists of mailable matter weighing 13 ounces or less,  
6 including business and personal correspondence, cards, sealed parcels, bills,  
7 invoices, remittances, financial statements, and advertising. All mailable matter  
8 weighing 13 ounces or less may be sent as First-Class Mail.

9 The proposed average changes in revenue per piece for First-Class Mail,  
10 including fee revenue, are as follows:

11	Letters Subclass	7.1%
12	Single-Piece Letters	7.7%
13	Presort Letters	6.4%
14	Cards Subclass	10.5%
15	Total Class	7.2%

16 These changes result in revenues that are 229 percent of volume-variable  
17 cost for Letters and 176 percent of volume-variable cost for Cards. For the class  
18 as a whole, the resulting cost coverage is 226 percent.

19 My testimony proposes a fundamental change in how costs related to  
20 various shapes are recognized in First-Class Mail rate design. Currently, while  
21 the mail processing and delivery costs they impose on the postal system are  
22 vastly different, letters, flats, parcels and other shapes weighing more than one  
23 ounce pay the same rate. My testimony proposes the establishment of First-