

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

FIRST-CLASS MAIL AND PERIODICALS
SERVICE STANDARD CHANGES, 2021

Docket No. N2021-1

**NOTICE OF ERRATA TO DIRECT TESTIMONY OF CURTIS WHITEMAN ON
BEHALF OF THE UNITED STATES POSTAL SERVICE (USPS-T-2)**
(June 2, 2021)

In response to question 28 of Presiding Officer's Information Request No. 3, filed on May 26, 2021, witness Monteith updated his estimate of the net contribution impact from the service standard changes at issue in this proceeding to -\$110.1 million (from the original estimate in his testimony of -\$104.8 million). Witness Monteith has filed errata updating his testimony accordingly. Meanwhile, witness Whiteman relied on the original figure to compute the net financial impact of the initiative at page 14, lines 6-8, of his testimony. Therefore, the Postal Service hereby files errata to update the relevant portion of witness Whiteman's testimony.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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1 **III. NET FINANCIAL IMPACT OF INITIATIVE**

2 The output of the costing models shows an expected decrease in annual
3 cost of \$279.6 million. These projected cost savings are expected to be partially
4 offset by the potential lost contribution due to the longer delivery standard. As
5 described by witnesses Monteith (USPS-T-4) and Thress (USPS-T-5), the
6 estimated net decrease in annual contribution is projected at \$110.1 million.
7 Subtracting this figure from the \$279.6 million in estimated annual net cost
8 savings yields an estimated overall improvement in net income of \$169.5 million.

9 **IV. CONCLUSION**

10 As shown above, the current and recent net losses cannot be maintained.
11 Without significant, sustained efforts to address our operating costs, along with
12 other changes, our financial condition will continue to deteriorate. This initiative
13 to reduce the costs of our transportation network is one of many things needed to
14 offset these losses and help improve our overall financial strength.