

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

**INTERROGATORIES OF
PITNEY BOWES TO USPS WITNESS TOLLEY
(PB/USPS-T-6-1)**

Pursuant to Sections 25 and 26 of the rules of practice, the Association for Postal Commerce submits the attached interrogatories to USPS witness Tolley: PB/USPS-T-6-1. If the designated witness is unable to respond to any interrogatory, we request a response by some other qualified witness.

Respectfully submitted,



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PB/USPS-T6-1. Please refer to your testimony at page 7, lines 18-20, where

you state that

Rather than occurring immediately, response to price occurs over a period of time. A change in real or deflated price is estimated to lead to a volume response in the quarter in which the price change occurs *and in subsequent quarters.* (Emphasis added.)

- a. Do the Test Year volume forecasts for all the classes and subclasses of mail contained in Table 1 at pages 6-7 of your testimony reflect the full impact that the recommended rates are expected to have? If so, what are the extent of the lags in the various models that you use to forecast volumes?
- b. Alternatively, would any of your forecasting models project further responses to price changes to occur over periods subsequent to the end of Test Year 2001 owing to the lagged effect discussed in your above-quoted testimony? That is, do any of the lagged effects extend beyond the end of the Test Year? If your answer to this question is affirmative for any of the forecasts contained in your Table 1, please indicate the extent of further volume adjustments expected for each of the volume forecasts contained in your Table 1.

CERTIFICATION

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding having requested service of discovery documents in accordance with Section 12 of the rules of practice.

Ian Volner
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