

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

NOTICE OF THE UNITED STATES POSTAL SERVICE CONCERNING ERRATUM
TO CAMPBELL WORKPAPER III (ERRATUM)

In his response today to OCA interrogatory T29-16, Postal Service witness Campbell observes that there is an error in footnote 9 on page 4 of his Workpaper III. The footnote should be revised to reflect the fact that he multiplied the CPI Index (the ratio of CPI-U BY to CPI-U TY) by Base Year Philatelic Fulfillment Service Center (PFSC) costs to calculate Test Year PFSC costs. Accordingly, footnote 9 should read as follows: [3] * BY PFSC customer service cost".

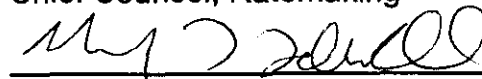
A revised page 4 of Campbell Workpaper III is attached. It supersedes the original version filed on January 12, 2000.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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Chief Counsel, Ratemaking



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April 4, 2000

TEST YEAR SELLING COSTS

CPI-U BY	162.50	[1]
CPI-U TY	173.18	[2]
CPI index	1.07	[3]
TOTAL WINDOW SERVICE COST	\$2,503,000	[4]
PROPORTION ALLOCATED TO:		
PLAIN ENVELOPES	0.8650	[5]
PRINTED ENVELOPES	0.1350	[6]
WINDOW SERVICE COST - PLAIN	\$2,165,095	[7]
WINDOW SERVICE COST - PRINTED	\$337,905	[8]
PFSC CUSTOMER SERVICE COST	\$628,570	[9]

SALES TYPE	TOTAL TY01 VOLUME	ENVELOPES SOLD PER TRANSACTION	NUMBER OF TRANSACTIONS	WINDOW COST PER TRANS	WINDOW COST PER ENVELOPE	PFSC COST PER ENVELOPE	TOTAL SELLING COST PER ENVELOPE
Plain - Single	45,544,788 [10]	3.9 [14]	11,678,151 [17]	\$0.1828 [21]	\$0.0469 [24]		\$0.0469 [28]
Plain - Bulk	143,114,500 [11]	876 [15]	163,373 [18]	\$0.1828 [22]	\$0.0002 [25]		\$0.0002 [29]
Plain	188,659,288 [12]		11,841,523 [19]		\$0.0115		\$0.0115
Printed	211,340,712 [13]	997 [16]	211,977 [20]	\$1.5941 [23]	\$0.0016 [26]	\$0.0030 [27]	\$0.0046 [30]

same proportions as BY

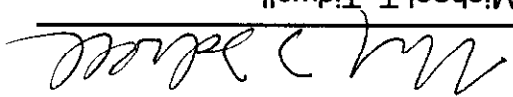
[1]-[2]	Economic Evaluation & Forecasting, USPS	[17] [10] / [14]
[3]	[2] / [1]	[18] [11] / [15]
[4]	TY01 Cost Segments & Components	[19] [17]+[18]
[5]	FY98 IOCS tally data	[20] [13] / [16]
[6]	FY98 IOCS tally data	[21] [7] / [19]
[7]	[4]*[5]	[22] id.
[8]	[4]*[6]	[23] [8] / [20]
[9]	[3] * BY PFSC customer service cost	[24] [21] / [14]
[10]	Based on BY98 volume ratios	[25] [22] / [15]
[11]	Based on BY98 volume ratios	[26] [23] / [16]
[12]	[10]+[11]	[27] [9] / [13]
[13]	Based on BY98 volume ratios	[28] [24]
[14]	1982 Stamped Envelope Transaction Survey	[29] [25]
[15]	PFSC data	[30] [26]+[27]
[16]	PFSC data	

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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