

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

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS TOLLEY TO INTERROGATORIES OF
THE COALITION OF RELIGIOUS PRESS ASSOCIATIONS
(CRPA/USPS-T6-16a.-c.)

The United States Postal Service hereby provides the response of witness Tolley to the following interrogatories of the Coalition of Religious Press Associations: CRPA/USPS-T6-16a.-c., filed on March 29, 2000. Part d. has been redirected to the Postal Service.

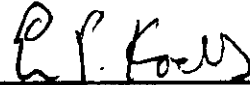
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Eric P. Koetting

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April 12, 2000

RESPONSE OF POSTAL SERVICE WITNESS TOLLEY
TO INTERROGATORIES OF COALITION OF RELIGIOUS PRESS ASSOCIATIONS

CRPA/USPS-T6-16

In your response to CRPA/USPS-T6-1, you were unable to completely answer CRPA's request that you provide evidence that "the Postal Service's implementation of its "expeditious treatment" (a) compares favorably with its own service standards pertaining to the delivery of periodicals-Class mail and (b) compares favorably with Standard A mail."

- (a) Would the actual service received from the Postal Service when it delivers periodicals to readers affect the elasticity of the Periodicals class or classes? If the answer is either yes or no, please explain.
- (b) Would the service publishers receive from the Postal Service affect the volume growth or decline of periodicals of the respective periodicals subclasses? If you [sic] answer is either yes or no, please explain.
- (c) If your answer to either (a) or (b) or both is (are) affirmative, should you not change your statement that "No information on the extent to which the Postal Service adheres to these provisions [service standards for periodicals] was necessary for this purpose, and I have none."?
- (d) If you do not have any information about the actual achievement of service goals for periodicals by the Postal Service, please identify a witness who can provide this information, and who will produce the information, or refer the interrogatory to the Postal Service for an institutional response and provision of the requested data.

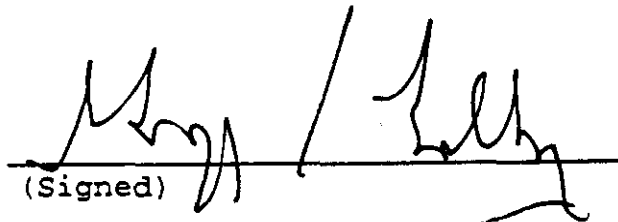
RESPONSE:

(a) The elasticity of the Periodicals subclasses measure peoples response to changes in price. This is a function of the value which people place upon Periodical mail. To the extent that the service publishers receive from the Postal Service may affect the value placed on these periodicals, the effect of service is already imbedded in my elasticity estimates.

If actual service were to change, this may cause some recipients of periodicals to value these periodicals more or less highly, which may affect these recipients' price elasticity for periodicals. This may indirectly affect the own-price elasticity of Periodical mail volume.

DECLARATION

I, George Tolley, declare under penalty of perjury that the foregoing answers are true and correct to the best of my knowledge, information and belief.



(Signed)
4-10-00

(Date)

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.



Eric P. Koetting

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