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

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS THRESS TO INTERROGATORIES OF
THE NEWSPAPER ASSOCIATION OF AMERICA
(NAA/USPS-T7-14)

The United States Postal Service hereby provides the responses of witness Thress to the following interrogatories of the Newspaper Association of America: NAA/USPS-T7-14, filed on April 6, 2000.

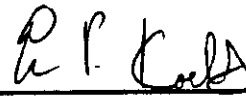
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Eric P. Koetting

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2992 Fax -5402
April 19, 2000

**RESPONSE OF POSTAL SERVICE WITNESS THRESS
TO INTERROGATORIES OF NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T7-14. Please refer to your response to NAA/USPS-T7-10, in which you state that the change in the estimated own-price elasticity of Standard (A) Enhanced Carrier Route mail "appears to be the result of the changes made to the Standard ECR specification since the last case." You also estimate your current ECR demand equation using a sample period ending in 1997Q2.

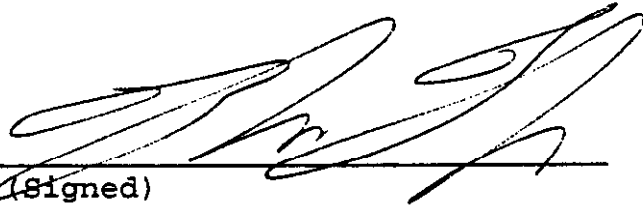
Please estimate of [sic] the current own-price elasticity of ECR mail using the R97-1 demand specification.

RESPONSE:

The estimated own-price elasticity of Standard ECR mail using the R97-1 demand specification, estimated using a sample period through 1999Q4, using the econometric methodology employed in my current testimony, is -0.599.

DECLARATION

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



A handwritten signature in black ink, appearing to read 'Thomas Thress', is written over a horizontal line.

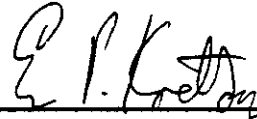
(Signed)

4/19/00

(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.

A handwritten signature in black ink, appearing to read "E. P. Koetting", is written over a solid horizontal line.

Eric P. Koetting

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