

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON DC 20268-0001

RECEIVED
MAY 25 4 26 PM '00
POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

)
) Docket No. R2000-1
)
)

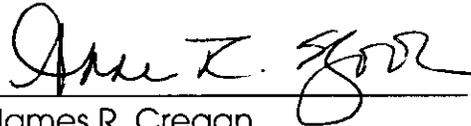
NOTICE OF
MAGAZINE PUBLISHERS OF AMERICA, INC.
ALLIANCE OF NONPROFIT MAILERS
AMERICAN BUSINESS MEDIA
COALITION OF RELIGIOUS PRESS ASSOCIATIONS
DOW JONES & CO., INC.
THE MCGRAW-HILL COMPANIES, INC.
NATIONAL NEWSPAPER ASSOCIATION
TIME WARNER INC.
CONCERNING ERRATA TO TESTIMONY
OF WITNESS COHEN (MPA-T-1) (ERRATUM)

(MAY 25, 2000)

Pursuant to the Commission's Rules of Practice, Magazine Publishers of America, et al., hereby provide notice of the filing of an erratum to the testimony of witness Cohen. This erratum corrects a reference at page 36 to MPA-LR-1. The reference at page 36 should have been to MPA-LR-4. This erratum does not affect the substance of witness Cohen's testimony. On the attached copy of the revised page 36, the corrected reference appears in boldface and is underlined, for ease of reference. The

attached page replaces the original page filed as part of MPA-T-1 on
May 22, 2000.

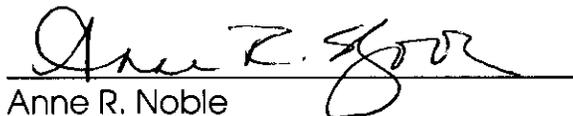
Respectfully submitted,



James R. Cregan
Anne R. Noble
Counsel
Magazine Publishers of America, Inc.
Suite 610
1211 Connecticut Avenue NW
Washington DC 20036
(202) 296 7277

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document
upon all participants of record in this proceeding in accordance with the
Commission's Rules of Practice.



Anne R. Noble

Washington DC
May 25, 2000

using a key that combines the volume variable costs associated with purchased highway as well as freight rail and Amtrak. This refinement reduces Periodicals Base Year costs by \$5 million.

IV. TEST YEAR COSTS

To develop TYAR costs by subclass, I roll forward and piggyback the Base Year costs for mail processing, city carriers, rural carriers, and purchased transportation costs that were presented by Periodicals Mailers witnesses. To do this, I use ratios of Test Year-to-Base Year costs from the Postal Service's proposal, Exhibits USPS-11A and USPS-14K, as well as USPS Test Year piggyback factors, USPS-LR-I-77. Then, I adjust TYAR costs for Periodicals subclasses downward to reflect the cost reduction programs identified in Section II of this testimony.¹ **MPA-LR-4** implements this method. Table 3 below summarizes TYAR costs by subclass.

¹ / Some of these cost reduction programs will also affect other classes. I have not calculated savings for other classes.