

UNITED STATES OF AMERICA
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

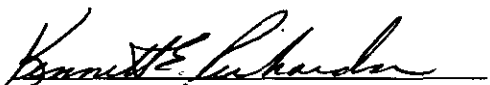
OFFICE OF THE CONSUMER ADVOCATE
REVISIONS TO THE TESTIMONY OF OCA
WITNESS: PAMELA A. THOMPSON OCA-T-9 (ERRATA)
(June 26, 2000)

The Office of the Consumer Advocate hereby gives notice of the filing of the following revisions to the testimony of Pamela A. Thompson (OCA-T-9), filed on May 22, 2000. There is no impact on the OCA's cost proposal.

In the testimony on page 8, line 4, change "\$60,647,000" to "\$60,637,000." A revised page 8 is attached.

To keep the OCA replication of the Postal Service's and OCA's proposal script files similar, four changes are necessary to the cost reduction instructions in the OCA proposal script files "SFY00RCR.FAC" and "FY00RCR.FAC." Change instruction "di 22:257 -148136 3:35" to "di 22:257 -66936 3:35," change "cl 12 3:40 3:421 3:422 3:423 3:467 3:468 3:469 3:470 3:471 3:41 3:227 3:228 -19928" to "cl 14 3:35 3:40 3:421 3:422 3:66 3:423 3:467 3:468 3:469 3:470 3:471 3:41 3:227 3:228 -102342," delete the instruction "di 22:259 -213 3:66" and change "ds 3:66 2 22:218 22:259" to "ds 3:66 1 22:218."

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ted P. Gerarden", is written over a horizontal line.

TED P. GERARDEN

Director

Office of the Consumer Advocate

KENNETH E. RICHARDSON

Attorney

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1 Another instance of a dual distribution to one component in a given cost level
2 effect occurs in "other programs" for segment 3, component 35.¹³ A cost reduction of
3 \$798,000 is allocated to fourteen segment 3 components. A cost increase of
4 \$60,637,000 is allocated to segment 3, component 35. In order to properly reflect the
5 component 35 cost effect, I isolate the \$798,000 cost reduction and run the cost model
6 to determine that \$638,000 is the amount to be assigned to component 35. The
7 remaining \$160,000 (798,000 – 638,000) is allocated to the following segment 3
8 components: 40, 66, 421, 422, 423, 467, 468, 470, 471, 41, 227 and 228 using a "cl"
9 command.

10 I incorporate USPS corrections and the changes proposed by OCA witnesses
11 Smith (OCA-T-4) and Ewen (OCA-T-5) (discussed in the next section of my testimony)
12 into the cost model. Appendix B, Exhibits 2A – 2B reflect my results. Due to time
13 constraints, I was unable to complete the test year after rate PESSA allocation.
14 Electronic copies of my results are provided in OCA-LR-I-1.


15 C. The OCA Incorporates OCA Witnesses Smith's and Ewen's Cost
16 Proposals

17 After updating for the previously mentioned USPS changes, I incorporate OCA
18 witness Smith's (OCA-T-4) proposed mail processing variabilities and OCA witness
19 Ewen's (OCA-T-5) proposed changes to elemental load. OCA witness Smith proposed
20 changing several of the MODS variabilities proposed by USPS witness Van-Ty-Smith

¹³ See USPS-LR-I-6, the USPS FY 00 VBL6 file.

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 section 12 of the rules of practice.

A handwritten signature in cursive script, appearing to read "Kenneth E. Richardson".

KENNETH E. RICHARDSON

Washington, D.C. 20268-0001
June 26, 2000