

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

RECEIVED

Nov 13 4 59 PM '01

POSTAL RATE AND FEE CHANGES, 2001

POSTAL RATE COMMISSION  
Docket No. **R2001-1** SECRETARY

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TOLLEY  
TO POSTCOM INTERROGATORY POSTCOM/USPS -T7-1  
(November 13, 2001)

The United States Postal Service hereby provides the response of witness Tolley to the following interrogatories of PostCom: Postcom/USPS-T7-1, filed on October 29, 2001. Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

  
Eric P. Koetting

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2992; Fax -5402  
November 13, 2001

**RESPONSE OF POSTAL SERVICE WITNESS TOLLEY  
TO INTERROGATORIES OF ASSOCIATION FOR POSTAL COMMERCE**

**POSTCOM/USPS-T7-1.** Please refer to sections II.C.1.a-b of your testimony where you discuss the own-price and cross-price elasticities of the volume of single-piece letters. Please further refer to sections II.D.1.a-b of your testimony where you discuss the own-price and cross-price elasticities of the volume of workshare letters.

- (a) Please confirm that these are the only two cases where USPS testimony in R2001-1 provides own-price or cross-price elasticities for mail volumes below the subclass level. If not confirmed, please explain fully.
- (b) Has the Postal Service or its contractors conducted analyses of the own-price or cross-price elasticities for mail volumes below the subclass level for any subclasses of mail other than the subclass(es) referred to in your answer to section (a)? If so, please provide a copy of each such analysis.

**RESPONSE:**

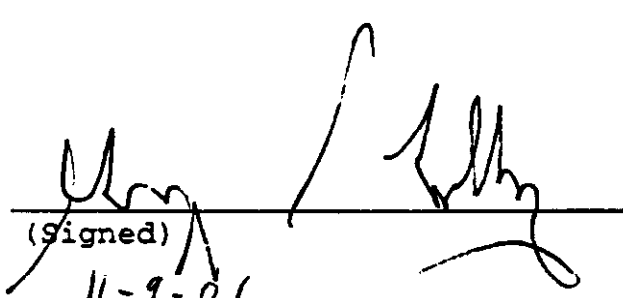
(a) Separate price elasticities are also provided for stamped and private cards in my testimony at sections II.E.3.a. and II.F.3.a-b.

(b) In this case, separate equations for destination entry and non-destination entry parcel post were analyzed, but ultimately not used in making volume forecasts. These equations can be found in USPS-LR-J-129 at pages 436 and 453 through 460.

In past cases, separate equations for single-piece and workshared private First-Class cards have also been analyzed but not used. See, for example, in Docket No. R97-1, USPS-T-7, Workpaper 3, pages 180 - 228.

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)

11-9-01

(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

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2992; Fax -5402  
November 13, 2001