

UNITED STATES OF AMERICA  
Before The  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

Experimental Rate and Service Changes )  
To Implement Negotiated Service Agreement )  
With Capital One Services, Inc. )

Docket No. MC2002-2

NOTICE OF THE OFFICE OF CONSUMER ADVOCATE  
CONCERNING ERRATA TO THE TESTIMONY OF  
OCA WITNESS: JAMES F. CALLOW OCA-T-2  
(January 16, 2003)

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The Office of the Consumer Advocate hereby gives notice of the filing of revisions to the testimony of James F. Callow (OCA-T-2), filed on December 20, 2002. The changes are found in OCA-T2 Attachment B, § 620.64. In the last sentence of § 620.64, the figures "\$8.4 million," "\$0.060," "\$0.055," and "\$0.050" have been changed to "\$7.65 million," "\$0.055," and "\$0.050," and "\$0.045," respectively. The revised page is attached.

Respectfully submitted,

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In the event that the mailer meeting the requirements of section 620.4 merges with or acquires an entity with annual First-Class Mail volume in excess of 0.75 percent of the discount threshold determined in section 620.51 in the year preceding the acquisition or merger, or in the event that, in any Postal Service fiscal year, the mailer merges with or acquires multiple entities with combined annual First-Class Mail volume in excess of 2.0 percent of the discount threshold determined in section 620.51, the discount threshold will be adjusted upward by the volume of eligible First-Class Mail sent by the other entity (or entities) during the 12 months preceding the merger or acquisition. In that event, beginning in the succeeding fiscal quarter following the date of acquisition or merger, Rate Schedule 620B would apply in lieu of Rate Schedule 620A.

620.64 **Discount Limitation**

Discounts will be paid on incremental volumes equal to no more than 15 percent of the discount threshold. The mailer may claim the highest allowable discount(s) available for incremental volumes up to 15 percent of the discount threshold. Thus, a discount threshold of one billion pieces yields a maximum volume of 150 million pieces on which a mailer may claim a discount. If actual volume is 1.3 billion pieces, discounts could be claimed for incremental volumes in the rate blocks between 1.15 billion and 1.3 billion pieces. According to Rate Schedule 620A, the total amount of discounts would be \$7.65 million, composed of 60 million pieces at \$0.055, 60 million pieces at \$0.050, and 30 million pieces at \$0.045.

620.7 **Rates**

The applicable discounts are set forth in the following rate schedules:

620A  
620B

620.8 **Expiration**

This provision (Section 620) expires 3 years from the implementation date set by the Board of Governors.

620.9 **Precedence**

To the extent any provision of section 620 is inconsistent with any other provision of the Domestic Mail Classification Schedule, the former shall control.