

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

POSTAL RATE AND FEE CHANGES
PURSUANT TO PUBLIC LAW 108-18

Docket No. R2005-1

NOTICE OF UNITED STATES POSTAL SERVICE OF FILING OF
ERRATA TO LIBRARY REFERENCE K-115 [Errata]
(June 7, 2005)

The United States Postal Service hereby provides notice of the filing of errata to library reference K-115. The changes are small changes to revenue and volume figures, as described in the following pages. The small effect of these changes is shown in revised Tables 11 and 12 of Exhibit A to witness Taufique's testimony (USPS-T-28), also being filed today. See Notice of United States Postal Service of Filing of Errata to Testimony of Witness Taufique (USPS-T-28).

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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Summary of Changes to LR-K-115

Parcel Post Changes

The revenue adjustment factor for Parcel Select was inadvertently not updated to reflect FY 2004 revenue adjustment factor. As a result before and after rates revenues were overstated. Replacing the outdated revenue adjustment factor with the FY 2004 revenue adjustment factor reduces before rate revenue by \$6,292,098 and after rates revenue by \$6,176,585.

	TYBR Revenue	TYAR Revenue
Original	\$1,223,298,293	\$1,244,732,316
Revised	\$1,217,006,195	\$1,238,555,731

The revenue adjustment factor in cell K91 on Page 202 of LR-K-115, the second page of PP-4 Drop-Ship Billing Det. was changed from 1.02758654 to 1.01460472. As a result of cell linkages the following pages of LR-K-115 also changed:

Page 192, PP-1 Inputs

Page 231, PP-11 Adjusted TYBR Revenue

Page 245, PP-14 Adjusted TYAR Revenue

Pages 180 to 182, 2006 BR

Pages 183 to 185, 2006 AR

Express Mail Changes

Express Pickups were inadvertently reported incorrectly. In using the workpapers for preparing the R2005 Workpapers, the link to update the Express Mail Pickup

Worksheet with the new input data did not work. This resulted in the new input worksheet having the pickup totals from the previous workpapers. This correction has lowered the Test Year Before Rates and Test Year After Rates results as previously submitted. The changes are noted below:

	TYBR Revenue	TYAR Revenue
Original	\$830,784,241	\$833,853,211
Revised	\$830,330,130	\$833,395,101

Express Mail Pickups

	TYBR Pickups	TYAR Pickups
Original	92,280	87,823
Revised	55,951	53,249

The correction was made to cell D10 on Page 58 of LR-K-115, EM-5 Pickup, where the number was changed from 95,201 to 57,722. As a result of cell linkages the following pages of LR-K-115 also changed:

Page 58, EM-5 Pickup

Page 53, EM -2 Financial Summary

Pages 180 to 182, 2006 BR

Pages 183 to 185, 2006 AR

Priority Mail Change

'PM-5 Pick Up Service' worksheet in USPST28Aspreadsheets.xls included a calculation of cost coverage which is incorrect and should not have been there. The revised

worksheet does not include the unneeded and erroneous calculation. The correction was made to Page 51 of LR-K-115, PM-5 Pickup. No other changes resulted.

Money Order Changes

The reporting of the revenue for APO/FPO money orders was recently changed. Effective September, 2004, all APO/FPO money order revenues were included in the revenue account previously used for domestic money order revenues only. This change was not discovered until researching the answer for POIR 2, Question 15, when it was discovered that there were APO/FPO money orders sold in the Base Year.

The corrections were made on Page 314 of LR-K-115, SS-22 Money Orders. The following changes were made:

The original values of the cells that were changed are provided below:

TRANSACTIONS

VALUE	FY 2004	TEST YEAR BEFORE RATES	TEST YEAR AFTER RATES
APO-FPO \$700	0	0	0
DOMESTIC \$0-\$500	165,663,296	160,668,912	159,228,292
\$500-\$1000	21,547,468	20,897,859	20,710,481

REVENUES

	BEFORE RATES VOLUME	AFTER RATES VOLUME
	CURRENT FEE	PROPOSED FEE
APO-FPO \$700	0	0
DOMESTIC \$0-\$500	144,602,021	151,266,878
\$500-\$1000	26,122,324	26,923,625
TOTAL (APO, DOM, INT)	170,724,345	178,190,503
GRAND TOTAL	233,840,961	240,840,695

The corrected values are provided in the following table:

TRANSACTIONS

VALUE	FY 2004	TEST YEAR BEFORE RATES	TEST YEAR AFTER RATES
APO-FPO \$700	376,929	365,566	362,288
DOMESTIC \$0-\$500	165,329,751	160,345,422	158,907,703
\$500-\$1000	21,504,084	20,855,783	20,668,782

REVENUES

	BEFORE RATES VOLUME	AFTER RATES VOLUME
	CURRENT FEE	PROPOSED FEE
APO-FPO \$700	91,391	90,572
DOMESTIC \$0-\$500	144,310,880	150,962,318
\$500-\$1000	26,069,729	26,869,417
TOTAL (APO, DOM, INT)	170,472,001	177,922,307
GRAND TOTAL	233,588,617	240,572,499

As a result of the above changes the following pages of LR-K-115 also changed:

- Pages 180 to 182, 2006 BR
- Pages 183 to 185, 2006 AR