

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

MOTION OF THE UNITED STATES POSTAL SERVICE
TO ADMIT INTO EVIDENCE THE REVISED RESPONSES
OF WITNESS TAUFIQUE TO INTERROGATORIES OF
VALPAK DIRECT MARKETING SYSTEMS, INC. AND
VALPAK DEALERS' ASSOCIATION, INC.
[VP/USPS-T28-52-55]
(August 24, 2005)

In a separate pleading today, the United States Postal Service filed the revised responses of witness Taufique to the above-listed Valpak interrogatories. The original responses were filed on June 10, 2005, and were designated into the evidentiary record at Tr. 3/676-683. For the reasons stated below, the Postal Service moves that the filing of the revised responses be accepted by the Commission and that the revised responses supersede the responses currently in the evidentiary record.

In recent days, witness Taufique discovered an error in the adjusted revenue and the revenue per piece figures reported in his responses to VP/USPS-T28-52 through VP/USPS-T28-55, as well as the ratios calculated from them that are reported in response to VP/USPS-T28-53 and VP/USPS-T28-55. As explained in the revised response to VP/USPS-T28-52, contrary to past practice, witness Taufique's Docket No. R2005-1 revenue per piece ratios used in determining compliance with P.L. 106-384 were developed without inclusion of

fee revenues. While investigating this omission, witness Taufique also discovered that the fee revenue shares of the nonprofit subclasses (Nonprofit and Nonprofit ECR) were anomalously high compared to the fee revenue shares of their commercial counterparts (Regular and ECR). As discussed in the revised response to VP/USPS-T28-52, witness Taufique further investigated and concluded that the Standard Mail Bulk Mailing Permit counts for the commercial Standard Mail subclasses were in error. The basis and explanation for a correction of these fee revenue share estimates is reflected in the revised response to VP/USPS-T28-52. Rather than depict all of the interrelated changes piecemeal in each of the affected interrogatories and repeat the full explanation in each response, witness Taufique has provided the full explanation and all of the revisions in the revised response to VP/USPS-T28-52 and has revised the responses to T28-53 through 55 to cross-reference that explanation and the accompanying revisions.

As indicated in witness Taufique's revised response, his conclusion that the Postal Service's proposed Standard Mail rates meet the requirements of P. L. 106-384 remains unchanged. Further, the provision of the revised responses today is not expected to materially affect the parties' positions on the issues that are being contested in this proceeding or prejudice any positions articulated by those parties and their witnesses. The Postal Service considers that it is obliged by Rule 26(f) to file these revised responses. The Postal Service regrets that the errors could not have been caught sooner, but considers that it is obliged to

expeditiously report them so that appropriate correction can be made to the record.

Accordingly, the Postal Service moves that the revised responses to VP/USPS-T28-52 through 55 be admitted into evidence to supersede the responses at Tr. 3/676-683.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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