

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

POSTAL RATE AND FEE CHANGES

Docket No. R2006-1

**NOTICE OF UNITED STATES POSTAL SERVICE OF FILING REVISED RESPONSE  
OF UNITED STATES POSTAL SERVICE WITNESS SMITH (USPS-T-13) TO  
INTERROGATORIES OF MAJOR MAILERS ASSOCIATION (MMA/USPS-T13-1-2)  
[ERRATA]  
(June 28, 2006)**

The United States Postal Service hereby gives notice of filing revised responses of witness Smith (USPS-T-13) to the following interrogatories of Major Mailers Association: MMA/USPS-T13-1-2. The original responses, filed on June 26, 2006, inadvertently omitted the header information identifying the requesting party. The revised responses add this information; no other changes have been made. The attached revised responses should be substituted for the original responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

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June 28, 2006

**RESPONSE OF POSTAL SERVICE WITNESS MARC A. SMITH TO  
INTERROGATORIES OF MAJOR MAILERS ASSOCIATION**

**MMA/USPS-T13-1**

Please refer to Library Reference USPS-LR-L-99, which uses the PRC attributable cost methodology to derive cost pools in much the same way that Library Reference USPS-LR-L-53 does using the Postal Service's attributable cost methodology. It appears that several columns are missing on tab page "Letters (4)." Please explain why these columns are missing and provide an Excel file with those columns included.

**RESPONSE:**

I believe you are referring to columns which have been unintentionally hidden, but are present in the LR-L-99 spreadsheets for mail processing cost by shape. The spreadsheets used for LR-L-53 and LR-L-99 mail processing costs by shape are identical in their alignment of columns and most rows. The different sets of mail processing labor cost pools for the PRC and USPS versions have been accommodated by leaving blank and hiding the unused cost pool columns. In preparing LR-L-99 spreadsheets shp05prc.xls and shp08prc.xls, the additional cost pools (or columns) used in the PRC version of mail processing labor costs were erroneously hidden. All columns on Sheet "Letters (4)" (or other sheets) can be unhidden by highlighting one row of the full range of columns that are visible and using the tool bar menu "Format," then "Column" and select "Unhide." The unit cost summations across all cost pools do include the hidden columns, so the results will not change. Spreadsheets shp05prc.xls and shp08prc.xls, showing the hidden columns, will be filed in revisions to Library Reference USPS LR-L-99.

**RESPONSE OF POSTAL SERVICE WITNESS MARC A. SMITH TO  
INTERROGATORIES OF MAJOR MAILERS ASSOCIATION**

**MMA/USPS-T13-2**

Please refer to page 40 of your direct testimony where you indicate that USPS witness Taufique discusses the Postal Service's reason for including costs for single piece metered mail in Library Reference USPS-LR-L-99, which is based on the Commission's attributable cost methodology, but not in Library Reference USPS-LR-L-53, which is based on the Postal Service's attributable cost methodology. Please state exactly where in witness Taufique's direct testimony this topic is discussed and explain why the unit costs for single piece metered mail were excluded from Library Reference USPS-LR-L-53.

**RESPONSE:**

Witness Taufique, USPS-T32, at pages 12-17 discusses his proposed new approach for designing First-Class workshare rates. It is my understanding that the unit costs for First-Class single piece metered letters are not required by witness Taufique for his rate design, so I don't include them in USPS LR-L-53. The reference on page 40 of my testimony to witness Taufique was in relation to no longer providing First-Class single piece metered letters unit costs in USPS LR-L-53, and did not relate to USPS LR-L-99. The inclusion of these costs in USPS LR-L-99 is consistent with past PRC practice and is not part of my testimony or, as far as I'm aware, that of witness Taufique.

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

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