

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

RATE AND SERVICE CHANGES TO IMPLEMENT
BASELINE NEGOTIATED SERVICE AGREEMENT
WITH WASHINGTON MUTUAL BANK

Docket No. MC2006-3

**NOTICE OF UNITED STATES POSTAL SERVICE OF CORRECTION TO
INTERROGATORY TO OFFICE OF CONSUMER ADVOCATE WITNESS
CALLOW: USPS/OCA-T1—7(b) [ERRATUM]**

On August 28, 2006 the United States Postal Service filed interrogatories and requests for production of documents to Office of Consumer Advocate witness Callow (USPS/OCA-T1—5-9). Interrogatory USPS/OCA-T1-7(b) contained an error in line 2. The second “of” in that line should be removed. The corrected interrogatory is attached hereto.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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August 31, 2006

USPS/OCA-T1—7. Please refer to page 15, lines 14 to 16, of your testimony. You state, “I therefore apply the Panzar analysis to Washington Mutual’s forecast volumes utilizing a price-difference, rather than an own-price, elasticity of demand.”

- a) Please explain the meaning of the term “price-difference elasticity” as you use it in your testimony.
- b) Do you agree with the proposition that every individual mailer has a price-difference of elasticity demand of -0.1115 ? If no, please explain.
- c) Did you consider or evaluate the Panzar test using different estimates of price-difference elasticity of demand? If yes, please provide the results of your analysis.

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.

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