

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

Postal Rate and Fee Changes, 2006

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Docket No. R2006-1

NOTICE OF OFFICE OF THE CONSUMER ADVOCATE
CONCERNING ERRATA TO THE TESTIMONY OF
OCA WITNESS: PAMELA A. THOMPSON (OCA-T-4)
(OCTOBER 19, 2006)

The Office of the Consumer Advocate hereby gives notice of the filing of the following revisions to the direct testimony of Pamela A. Thompson (OCA-T-4), filed on September 6, 2006. The changes to the testimony are set forth below. Revised page 8, is attached hereto. A revised OCA-LR-L-5.xls is provided.

Respectfully submitted,

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<u>Page</u>	<u>Line</u>	<u>Correction</u>
21	Table 8	In the column titled: "Total MP & Del. Unit Costs Saving," delete "\$0.05831" and insert "\$0.05821"
21	Table 8	In the column titled: "Total MP & Del. Unit Costs Saving," delete "\$0.08916" and insert "\$0.08938"

<u>File Name</u>	<u>Worksheet</u>	<u>Line</u>	<u>Column</u>	<u>Correction</u>
OCA-LR-L-5.xls	Rate Design - Presort	15	O	Formula changes from: "+O11 – 0.0531" to "+O11 – 0.0521"
OCA-LR-L-5.xls	Rate Design - Presort	18	O	Formula changes from: "+O11 – 0.08916" to "+O11 – 0.08938"

1 rates are based on a BMM benchmark of \$0.42, instead of the USPS's proposed
 2 "base rate" of \$0.346.³⁰ However, as the weight of an automation letter-shaped mail
 3 piece increases above one ounce, OCA's rates are less than those proposed by the
 4 USPS. For example, under the USPS' First-Class rate proposal, the First-Class
 5 Automation letter-shaped Mixed AADC letter weighing 2 ounces would pay \$0.501
 6 (\$0.346 +\$0.155). Under the OCA's proposal, that same mail piece rate is \$0.362.
 7 Table 3 provides OCA's proposed Presort Automation letter-shaped rates.

8 Table 3 – OCA Proposed Automation Letter-Shaped Rates

	Total MP & Del. Unit Costs Saving	Cost Savings Differential	Amount Pass- Through	OCA Proposed Rate
Mixed AADC	\$0.05821		-	\$0.362
AADC	\$0.07026	\$0.012	\$0.012	\$0.350
3-Digit	\$0.07456	\$0.004	\$0.004	\$0.345 ³¹
5-Digit	\$0.08938	\$0.015	\$0.015	\$0.331

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10 The USPS states that automation letter-shaped volumes are limited to the 0
 11 to 3.5 ounce weight increment; thus, there are no other rates proposed for heavier
 12 weight letter-shaped pieces.³²

13 The First-Class automation flat rates proposed by the OCA reflect the mail
 14 processing and delivery unit cost difference between processing an automation letter

³⁰ See also, Docket No. R2006-1, USPS-LR-L-129, worksheet "Rate Design-Presort."

³¹ Rounding, see OCA-LR-L-5, worksheet "Rate Design".

³² The Postal Service's response to OCA/USPS-90.