

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 RESPONSES OF
OCA WITNESS: PAMELA A. THOMPSON TO
MMA/OCA-T4-4(a-c) AND MMA/OCA-T4-7(b)
(OCTOBER 20, 2006)

The Office of the Consumer Advocate hereby gives notice of the filing of the following revision to the responses of Pamela A. Thompson to MMA/OCA-T4-4(a-c), and MMA/OCA-T4-7(b) filed on October 17, 2006. The changes to the responses are set forth below. Revised responses to MMA/OCA-T4-4 (a-c) and 7(b) are attached hereto.

Respectfully submitted,

SHELLEY S. DREIFUSS
Director
Office of the Consumer Advocate

EMMETT RAND COSTICH
Attorney

901 New York Avenue, NW Suite 200
Washington, D.C. 20268-0001
(202) 789-6830; Fax (202) 789-6891
e-mail: costicher@prc.gov

<u>Interrogatory Response</u>	<u>Correction</u>
MMA/OCA-T4-4 (a-c)	Delete "\$2.8" and insert "\$2.9"
MMA/OCA-T4-7 (b)	Delete "312" and insert "317"

RESPONSE TO MMA/OCA-T4-4.

a – c. My rate proposal is essentially revenue neutral. As stated in my testimony at page 26, the TYAR revenues in my proposal increase by \$2.9 million.

d. I did not make new calculations for the QBRM rate. USPS witness Taufique at page 24 of his testimony indicates that the discount of \$0.025 is the same discount that prevailed prior to the across the board rate increases. Thus, I felt the \$0.395 was appropriate.

e. Confirmed.

f. Not confirmed. It is use of the BMM benchmark that results in higher Presort automation rates.

MMA/OCA-T4-7.

Please refer to your response to MMA/OCA-T4-1 where you compute the implicit cost coverage for First-Class workshared letters as 338%.

- A. Does this mean that for every \$1 of direct and indirect cost to process an average workshared letter, the Postal Service receives \$3.38 in revenue? If not, please explain.
- B. Please provide examples of any commodity, product or service that you know of that is regulated and generates revenues that are more than three times the amount of direct and indirect costs to produce that commodity, product or service.

RESPONSE TO MMA/OCA-T4-7.

- a. Confirmed.
- b. In this docket, USPS witness Taufique proposes a 317 percent implicit cost coverage for First-Class workshared letters and sealed parcels.