

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 RESPONSE OF OCA WITNESS  
JAMES F. CALLOW TO USPS/OCA-T5-15(b)  
(October 17, 2006)

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The Office of the Consumer Advocate hereby gives notice of filing a revised response of James F. Callow to interrogatory USPS/OCA-T5-15(b), filed on October 2, 2006. The revised response changes the reference "9 million" to "9.3 million," which is consistent with the revised response to USPS/OCA-T5-5(a)-(c), filed this date. The revised response is attached.

Respectfully submitted,

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RESPONSE OF OCA WITNESS JAMES F. CALLOW  
TO INTERROGATORIES USPS/OCA-T5-6-16

Revised 10-17-06

- (f) Please confirm that under the Postal Service's proposal the subscribers using 51 million or 164 million scans would pay less per million scans and in total fees than under your proposal. If you do not confirm, please explain why not.
- (g) Please confirm that under the Postal Service's proposal the average price for a million scans for a subscriber using 51 million scans would be less than 4 times the average price for a million scans for a subscriber using 10 billion scans.

RESPONSE TO USPS/OCA-T5-15

(a) I can confirm that the number of scans used by Platinum subscribers varies from less than 60,357,167 (Tr. 14/3976, OCA/USPS-T40-57) to nearly 750 million (Tr. 14/4144). However, neither witness Mitchum nor the Postal Service has provided an array or grouping of Platinum subscribers by the number of scans used.

(b) As stated in my response to USPS/OCA-T5-5(a)-(c) (revised 10 17-06), the cost per mailpiece for any Platinum subscriber entering 9.3 million or more mailpieces would be \$0.0010 (i.e., one-tenth of one cent) or less, which seems "quite small to enhance the value of the host mailpiece in order to provide near real-time tracking information for mailers. These additional costs are also 'quite small' in comparison to the millions of dollars spent for postage and other expenses mailers incur for materials, printing, and preparation of these mailpieces."

(c) Confirmed. As column 2 of the table shows, the decrease in average price per million scans provides strong incentive for mailers to use PLANET barcodes on all their mailings. Moreover, my testimony on page 17, lines 17-20, states that the "\$9,500 fee increase . . . is quite small when amortized over millions of mailpieces. The table