

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, DC 20268-0001

Postal Rate and Fee Changes,                    )  
2006    )                   Docket No. R2006-1

**RESPONSE OF MPA/ANM WITNESS GLICK TO  
PRESIDING OFFICER'S INFORMATION REQUEST NO. 22  
(November 1, 2006)**

The Magazine Publishers of America, Inc. ("MPA") and Alliance of Nonprofit Mailers ("ANM") hereby responds to Presiding Officer's Information Request No. 22. This response is sponsored by MPA/ANM witness Sander Glick.

Respectfully submitted,

David M. Levy  
Richard E. Young  
SIDLEY AUSTIN LLP  
1501 K Street, N.W.  
Washington, DC 20005-1401  
(202) 736-8000

*Counsel for Magazine Publishers of America,  
Inc., and Alliance of Nonprofit Mailers*

**RESPONSE OF MPA/ANM WITNESS GLICK TO  
PRESIDING OFFICER'S INFORMATION REQUEST NO. 22**

**Information Request**

1. Please refer to MPA/ANM-T-2, page 6, line 21 to page 7, line 3 where witness Glick discusses his adjustment to the per-pound portion of the DSCF container handling cost avoidance. Refer also to cell E57 of worksheet 'POUND\_DATA\_ADV' in Excel file MPA-ANM-LR-2. Is it also necessary to make a similar adjustment in the calculation of the per-pound portion of the DDU container handling cost avoidance (cell E56)? Please explain your answer fully.

**Response Of MPA/ANM Witness Glick**

No. As discussed in my response to USPS/MPA/ANM-T2-34, the value in cell E56 should equal the transportation cost per pound for DDU-entered periodicals minus the per-pound portion (50%) of the DDU container-handling cost avoidance. The transportation cost per pound for DDU parcels is zero and the per-pound portion of the DDU container-handling cost avoidance (cell E47) is 4.3 cents per pound. Thus, the value in cell E56 should be  $-\$0.043$ , which it is.

Consistent with the above explanation of the value in cell E56, I recently filed (as MPA/ANM-LR-6) a version of my rate design spreadsheet (MPA/ANM-LR-1) that replaces the complicated formula in cell E56 with the much more straightforward formula "-E47". While this formula is much simpler than the one used in MPA/ANM-LR-1, both formulae produce the same correct value ( $-\$0.043$ ) in cell E56.