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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

USPS-T-34

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

DIRECT TESTIMONY
OF
MAURA ROBINSON
ON BEHALF OF
THE UNITED STATES POSTAL SERVICE

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1 **Autobiographical Sketch**

2 My name is Maura Robinson. I have been employed by the United States
3 Postal Service as an Economist in Pricing since March 1998. My primary duties
4 include development of Priority Mail rate design, and analysis of postal reform
5 proposals pending before Congress.

6 Prior to joining the Postal Service, I worked for the Baltimore Gas and
7 Electric Company from 1992 through 1998. From 1997 to 1998, I held the
8 position of Pricing Analyst with responsibility for preparing analyses supporting
9 the company's gas rate filings with the Maryland Public Service Commission;
10 analyzing natural gas pipelines' FERC rate proposals and their impact on BGE;
11 and preparing gas avoided cost and marginal cost studies. From 1992 to 1997, I
12 was a Forecaster with responsibility for preparation of the company's gas system
13 sales and peak forecast used in gas capacity planning. This forecast was
14 included in the company's annual Gas Purchase and Conservation Plan filed
15 with the Maryland Public Service Commission. In addition, I prepared BGE's
16 1992-1995 Fuel Price Forecasts which were included in the company's electric
17 Integrated Resource Plan filed with the Maryland PSC.

18 I am a graduate of the University of Maryland at College Park with a
19 Master's of Arts degree in Economics and also hold Bachelor of Science in
20 Economics and a Bachelor of Arts in French from Iowa State University.

1 **I. Purpose and Scope of Testimony**

2 My testimony presents the Postal Service's proposed rates for Priority
3 Mail. The proposed rates and classification changes for Priority Mail meet the
4 cost coverage of 181 percent proposed by witness Mayes. In addition, I project
5 delivery confirmation volumes and propose the fees for scheduled and on-call
6 Express Mail, Priority Mail, and Standard (B) mail pickups.

7 An electronic version of the attachments to this testimony has been filed
8 as LR-I-165.

9 **II. Priority Mail Characteristics**

10 **A. Service Description**

11 Priority Mail consists of letters, documents, and packages weighing up to
12 70 pounds. For pieces weighing more than 13 ounces, Priority Mail serves, in
13 part, as an extension of First-Class Mail. Customers also have the option to
14 send lighter-weight pieces by Priority Mail to take advantage of service features
15 including delivery confirmation and expedited handling.

16 Priority Mail rates are unzoned for mail pieces weighing up to five pounds
17 and zoned for mail pieces weighing more than five pounds. In addition, the
18 Postal Service provides a flat-rate envelope available at the two-pound rate
19 regardless of the piece's actual weight. Currently, the minimum Priority Mail rate
20 is applied to pieces weighing two pounds or less; this testimony proposes a new
21 minimum Priority Mail rate for pieces weighing one pound or less. The rest of
22 the rate structure remains unchanged.

Table 1
Priority Mail Volume History
(Millions of pieces)

<u>Fiscal Year</u>	<u>Pieces</u>		<u>Annual % Change</u>
1970	185	1/	
1971	197	2/	6%
1972	208		6%
1973	209		0%
1974	222		6%
1975	206		-7%
1976	192	3/	-7%
1977	202		5%
1978	213	4/	5%
1979	229		8%
1980	248		8%
1981	269		8%
1982	259		-4%
1983	271		5%
1984	293		8%
1985	308		5%
1986	330		7%
1987	354		7%
1988	405		14%
1988(r)	437	5/	8%
1989	471	5/	8%
1990	518		10%
1991	530		2%
1992	584		10%
1993	664		14%
1994	770		16%
1995	869		13%
1996	937		8%
1997	1,068		14%
1998	1,174		10%

1/ First-Class Mail weighing over 13 ounces and airmail weighing over 7 ounces.

2/ Mail weighing over 12 ounces and airmail weighing over 8 ounces, effective May 16, 1971

3/ Mail weighing over 13 ounces and airmail weighing over 10 ounces, effective September 14, 1975.

4/ Mail weighing over 12 ounces, effective May 29, 1978.

5/ Mail weighing over 11 ounces, effective April 3, 1988.

r = Recast 1988 data and following years include penalty and franked with service categories.

B. Volume Trends

Table 1 presents historical Priority Mail volumes. For the ten-year period 1989 to 1998, Priority Mail volumes grew at an average annual rate of 9.6 percent.¹ However, as of January 10, 1999, with the implementation of the rates recommended and approved in Docket No. R97-1, the maximum weight for First-Class Mail increased from 11 ounces to 13 ounces. As a result, approximately 12.4 percent of annual Priority Mail volume is projected to migrate to First-Class Mail².

Priority Mail service competes in the two- to three-day package and document delivery market. This market is competitive with services also provided by United Parcel Service, Federal Express, Airborne and others; however, Priority Mail does not necessarily include all the product features of these competitors' products. For example, some competitors offer guarantees, free insurance, free track-and-trace and other services that are not included with Priority Mail. In 1998, the Postal Service's estimated market share was 61.8 percent of all pieces, and over the last five years, the Postal Service's market share has remained relatively constant.

C. Rate History

Priority Mail originated with the merger of heavy First-Class Mail and air parcel post with the rate structure evolving from the air parcel post rates. Initially, Priority Mail rates were zoned for all weight steps. Today, the under-five-pound rates are unzoned. This began with Docket No. R84-1, when the unzoned,

¹ The relatively small growth rate in 1991 was due at least in part to the implementation of the Docket No. R90-1 rates which increase Priority Mail rates by 19%.

² USPS-LR-I-114, p. 8

1 two-pound rate was introduced, and continued with Docket No. R90-1, when Priority
2 Mail rates were unzoned for all rate increments between two pounds and five
3 pounds. In addition, following Docket No. R90-1, the flat-rate envelope, pickup
4 service, and a presort discount were introduced. The Priority Mail presort discount
5 was eliminated in January 1999 following Docket No. R97-1. Delivery confirmation
6 service was implemented in March 1999, with the cost of the base (electronic)
7 portion of the service included in Priority Mail rates.

8 As a result of Docket No. R97-1, Priority Mail rates increased an average of
9 5.6 percent with the two-pound rate increasing from \$3.00 to \$3.20. Table 2 shows
10 the average rate increase for Priority Mail resulting from the past five omnibus rate
11 cases.

Table 2
Priority Mail Rate Changes
1985-1999

<u>Rate Case</u>	<u>Implementation Date</u>	<u>Priority Mail Rate Change</u>	<u>Two-Pound Rate</u>
R84-1	February 17, 1985	0%	\$2.40
R87-1	April 3, 1988	0%	\$2.40
R90-1	February 3, 1991	19%	\$2.90
R94-1	January 1, 1995	4.8%	\$3.00
R97-1	January 10, 1999	5.6%	\$3.20

III. Priority Mail Rate Design

A. Overview

In designing Priority Mail rates, test-year-before-rates costs are separated into two categories: non-weight-related and weight-related. The non-weight-related costs are the basis for the "per piece" rate element, which is the same for all rate cells. The "per-pound" rate element varies by zone and is based on the

Table 3
Priority Mail Financial Summary
Test Year Volume, Revenue and Cost

	<u>Test Year Before Rates</u>	
(a) Attachment B, p. 3	Volume	1,356,715 (000)
(b) Attachment B, p. 7	Revenue at current rates	\$5,226,546 (000)
(c) = (2) / (1)	Revenue per piece	\$3.85
(d) USPS-T14 Workpaper H, Table E	Test year before rates cost	\$3,183,801 (000)
(e) USPS-T9	Contingency	2.5%
(f) = (d) * [1 + (e)]	TYBR cost with contingency	\$3,263,396 (000)
(g) = (f) / (a)	Cost per piece	\$2.41
(h) = (c) / (g)	Cost coverage at current rates	160%
	<u>Test Year After Rates</u>	
(i) Attachment D, p. 1	Volume	1,249,750 (000)
(j) Attachment D, p. 5	Revenue at proposed rates	\$5,538,492 (000)
(k) = (j) / (i)	Revenue per piece	\$4.43
(l) USPS-T14, Workpaper J, Table E	Test year after rates cost	\$2,989,329 (000)
(m) USPS-T9	Contingency	2.5%
(n) = (l) * [1 + (m)]	Cost with contingency	\$3,064,062 (000)
(o) = (n) / (i)	Cost per piece	\$2.45
(p) = (k) / (o)	Cost coverage at proposed rates	181%
(q) = [(k) - (c)] / (c)	Average rate increase before adjustments	15%
	<u>Pickup Revenue and Cost</u>	
(r) Attachment I (t)	Pickup revenue at proposed rates	\$2,972 (000)
(s) Attachment I (p)	Pickup costs	\$2,888 (000)
(t) USPS-T32, Exhibit 32B	<u>Fee Revenue</u>	\$795 (000)
	<u>Total Test Year After Rates</u>	
(u) = (i)	Total volume	1,249,750 (000)
(v) = (j) + (r) + (t)	Total revenue	\$5,542,259 (000)
(w) = (n) + (s)	Total cost including contingency	\$3,066,950 (000)
(x) = (v) / (w)	Cost coverage	181%

Table 4
Proposed Priority Mail Rates

Weight up to:	Zone <u>L,1,2&3</u>	<u>Zone 4</u>	<u>Zone 5</u>	<u>Zone 6</u>	<u>Zone 7</u>	<u>Zone 8</u>
Flat Rate	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85
1	3.45	3.45	3.45	3.45	3.45	3.45
2	3.85	3.85	3.85	3.85	3.85	3.85
3	5.10	5.10	5.10	5.10	5.10	5.10
4	6.35	6.35	6.35	6.35	6.35	6.35
5	7.60	7.60	7.60	7.60	7.60	7.60
6	7.85	8.00	8.15	8.55	8.85	9.45
7	8.05	8.40	8.70	9.50	10.10	11.30
8	8.15	8.80	9.25	10.45	11.35	13.15
9	8.30	9.20	9.80	11.40	12.60	15.00
10	8.40	9.70	10.45	12.40	13.75	16.85
11	8.65	10.35	11.35	13.40	14.80	18.15
12	8.90	11.00	12.15	14.40	15.90	19.60
13	9.15	11.65	13.00	15.45	17.05	21.00
14	9.40	12.30	13.80	16.45	18.15	22.45
15	9.65	12.95	14.65	17.45	19.25	23.85
16	9.90	13.65	15.40	18.45	20.40	25.30
17	10.15	14.30	16.25	19.45	21.50	26.75
18	10.55	14.95	17.05	20.45	22.65	28.15
19	10.95	15.60	17.90	21.45	23.75	29.65
20	11.40	16.35	18.70	22.45	24.90	31.00
21	11.80	17.05	19.45	23.50	26.00	32.40
22	12.25	17.75	20.30	24.50	27.15	33.70
23	12.65	18.45	21.10	25.45	28.25	35.05
24	13.05	19.15	21.95	26.45	29.35	36.35
25	13.50	19.85	22.75	27.50	30.55	37.80
26	13.90	20.50	23.55	28.50	31.65	39.10
27	14.30	21.25	24.35	29.50	32.80	40.45
28	14.70	21.95	25.20	30.45	33.90	41.75
29	15.15	22.60	26.00	31.45	35.05	43.05
30	15.55	23.30	26.85	32.50	36.15	44.40
31	15.95	24.05	27.60	33.50	37.30	45.70
32	16.40	24.70	28.45	34.50	38.40	47.10
33	16.80	25.40	29.25	35.50	39.55	48.40
34	17.20	26.05	30.10	36.45	40.65	49.70
35	17.65	26.80	30.90	37.50	41.75	51.05

Table 4 (Continued)
Proposed Priority Mail Rates

Weight up to:	Zone L,1,2&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
36	\$ 18.05	\$ 27.50	\$ 31.70	\$ 38.50	\$ 42.90	\$ 52.35
37	18.45	28.20	32.50	39.50	44.00	53.70
38	18.85	28.90	33.35	40.55	45.15	55.05
39	19.30	29.60	34.15	41.55	46.25	56.40
40	19.70	30.30	35.00	42.50	47.40	57.70
41	20.10	30.95	35.75	43.50	48.50	59.00
42	20.55	31.70	36.60	44.50	49.65	60.35
43	20.95	32.40	37.40	45.55	50.75	61.70
44	21.35	33.05	38.25	46.55	51.90	63.10
45	21.80	33.75	39.05	47.50	53.00	64.40
46	22.20	34.50	39.80	48.50	54.10	65.75
47	22.60	35.15	40.65	49.55	55.30	67.05
48	23.00	35.85	41.45	50.55	56.40	68.35
49	23.45	36.60	42.30	51.55	57.55	69.70
50	23.85	37.25	43.10	52.55	58.65	71.00
51	24.25	37.95	43.90	53.50	59.70	72.40
52	24.70	38.65	44.70	54.55	60.85	73.70
53	25.10	39.35	45.55	55.55	61.90	75.00
54	25.50	40.05	46.35	56.55	63.00	76.35
55	25.95	40.75	47.20	57.55	64.00	77.65
56	26.35	41.40	47.95	58.60	65.10	79.00
57	26.75	42.15	48.80	59.55	66.20	80.35
58	27.15	42.85	49.60	60.55	67.25	81.70
59	27.60	43.50	50.45	61.55	68.40	83.00
60	28.00	44.20	51.25	62.60	69.45	84.30
61	28.40	44.95	52.05	63.60	70.55	85.70
62	28.85	45.60	52.85	64.55	71.60	87.00
63	29.25	46.30	53.70	65.55	72.70	88.40
64	29.65	47.05	54.50	66.60	73.80	89.70
65	30.10	47.70	55.30	67.60	74.85	91.05
66	30.50	48.40	56.10	68.60	76.00	92.35
67	30.90	49.10	56.95	69.60	77.05	93.65
68	31.35	49.80	57.75	70.55	78.10	95.00
69	31.75	50.50	58.60	71.60	79.25	96.30
70	32.15	51.20	59.35	72.60	80.30	97.70

1 weight-related costs (primarily transportation) associated with providing Priority
2 Mail service

3 **B. Development of "Per-Piece" Rate Element³**

4 The per-piece cost is developed by subtracting total transportation costs
5 and weight-related, non-transportation costs (2 cents per pound) from test-year-
6 before-rates total volume variable costs. An "Emery adjustment" (described
7 below) is then made and the result is divided by volume to derive the per-piece
8 cost. This cost is increased for the contingency and the Priority Mail markup to
9 determine the "per-piece" rate element.

10 **C. Development of "Per-Pound" Rate Element⁴**

11 Total transportation costs⁵ are adjusted for the Emery contract (described
12 below). The adjusted, test-year-before-rates, transportation costs by mode are
13 distributed between distance and non-distance related components using the FY
14 1998 cost distribution. Pounds and average haul by zone for the Eagle network
15 and passenger air transportation are used to develop distribution keys to zone
16 for non-distance-related and distance-related air transportation costs.

17 Non-distance-related air transportation costs are distributed to zones
18 based on total air-pounds by zone. Distance-related air transportation costs are
19 distributed to zone based on air-pound-miles. Air-pound-miles are calculated by
20 multiplying total passenger air-pounds by the average passenger air haul by

³ Attachment F

⁴ Attachment G

⁵ Total air and transportation costs include the transportation components of: (1) An adjustment for the Docket No. R97-1 classification change increasing the maximum weight of First-Class Mail, and (2) an adjustment to add additional Priority Mail volume due to the existence of delivery confirmation service. See Attachment K

1 zone. Non-distance-related surface transportation costs are distributed to all
2 zones based on total postage pounds by zone. Distance-related surface
3 transportation costs are distributed to Zones L, 1, 2, 3, and Zone 4 based on
4 surface-pound miles. Zone L, 1, 2, 3 surface pound-miles are developed by
5 subtracting total Local Zone pounds from the total Zone L, 1, 2, 3 pounds and
6 then subtracting Local, 1, 2, 3 Zone air pounds. The result is multiplied by a
7 250-mile average haul. Zone 4 surface pound-miles are developed by
8 subtracting Zone 4 air pounds from total Zone 4 pounds and multiplying the
9 result by a 350-mile average haul. The resulting distribution of Local, 1, 2 and 3
10 Zone and Zone 4 surface pound-miles is used to distribute distance-related,
11 surface transportation cost.

12 Total distributed transportation costs are then summed by zone and
13 divided by total postage-pounds by zone to arrive at total transportation cost per
14 pound by zone. A two-cent, weight-related, non-transportation cost per pound is
15 added to the total transportation cost per pound by zone to arrive at the per-
16 pound cost by zone. These per-pound costs by zone are increased for the
17 contingency and the Priority Mail markup to determine the "per-pound" rate
18 element by zone.

19 **D. Emery Adjustment⁶**

20 In 1997, the Postal Service contracted with Emery Worldwide Airlines for
21 the processing and transportation of a portion of Priority Mail volume. These
22 costs are included in Cost Segment 16. Under its agreement with the Postal

⁶ Attachment E

1 Service, Emery is providing mail processing, surface transportation, and air
2 transportation; however, the Postal Service's contract with Emery is on a
3 "per-piece" basis that does not permit the Postal Service to identify payments to
4 Emery as either "transportation" or "non-transportation." While this simplicity
5 aids contract administration, it presents a unique rate design challenge.

6 The Priority Mail rate design method used by both the Postal Service and
7 the Postal Rate Commission assumes that all air and surface transportation
8 costs are readily identifiable and reported in Cost Segment 14. However, the
9 Postal Service cannot readily identify air and surface transportation costs
10 incurred under the Emery Contract. In addition, USPS accounting practice has
11 resulted in Emery costs being assigned to Cost Segment 16. Therefore, if the
12 traditional rate design methodology were applied blindly in this case, the
13 transportation costs embedded in the Emery contract costs by default would be
14 assigned to the "per-piece" rate element described above. The resulting rate
15 structure would "flatten" as transportation costs were assigned to the "per-piece"
16 rate element instead of the "per-pound" rate element and the apparent cost
17 differential between a heavyweight piece and a lightweight piece was reduced.

18 The Postal Service is currently evaluating the Priority Mail processing
19 network and has not decided how it will be configured in the future. As a result,
20 for the purposes of this rate case, the cost studies assume that the current
21 network configuration (10 PMPC sites located in the Northeast and Florida)
22 exists in the test year. However, given the uncertainty surrounding the future
23 network configuration, it is not clear that costs following the test year will continue

1 to be incurred as the Postal Service is currently projecting for the test year. For
2 example, an expansion of the Emery network (assuming the current contract
3 structure) would result in an increase in "per-piece" costs. Conversely, a
4 substitution of Postal-contracted transportation for the Emery network may result
5 in a reduction in "per-piece" costs. Lastly, even if the Emery contract were to be
6 extended, it is not clear that costs would continue to be incurred on a strictly
7 "per-piece" basis. In contract negotiations, any party -- the Postal Service,
8 Emery, or other vendors seeking to provide service in the existing or an
9 expanded PMPC network -- might propose a contract structure that would
10 directly identify transportation and non-transportation costs. Alternatively, future
11 contracts could incorporate novel features that do not parallel either the Emery
12 contract structure or the Postal Service's cost segment structure.

13 In designing Priority Mail rates, I attempted to reconcile two factors: (1)
14 the Postal Service is incurring costs (at least in the short run) on a less weight-
15 related basis; and (2) the Emery PMPC network is a test program. The Emery
16 rate-making adjustment does this by assuming that the Emery costs in Cost
17 Segment 16 remain at the same level as in the base year and reallocating the
18 difference (based on base year proportions) between the test year and the base
19 year Emery costs to Cost Segment 3.1 (Mail Processing Direct Labor), and Cost
20 Segment 14 (Transportation). The allocation to Cost Segment 14 is further
21 allocated to air and surface transportation. This adjustment recognizes that, with
22 the Emery contract, total Priority Mail volume variable costs are less distance-
23 related by retaining a portion of the Emery costs in Cost Segment 16. In

1 addition, the reallocation of costs to Cost Segment 14, recognizes that the Emery
2 contract, in part, substitutes for air and surface transportation that otherwise
3 would have been purchased by the Postal Service in a more traditional manner.

4 The Emery adjustment mitigates the impact of the PMPC test program on
5 Priority Mail rates. It takes a gradual approach to incorporating a contract-
6 specific change in costs, is consistent with Commission precedents,⁷ and is
7 designed to avoid dramatic changes in Priority Mail rate design and the potential
8 effects on Priority Mail customers. This is necessary given the degree of
9 uncertainty surrounding the future Priority Mail network configuration, and the
10 potential effect of unknown network changes on the cost structure of Priority
11 Mail.

12 **E. One-Pound Priority Mail Rate**

13 In its Docket No. R97-1 Opinion and Recommended Decision, the
14 Commission expressed concern over the rate differential or “gap” between the
15 maximum First-Class Mail rate and the minimum Priority Mail rate. Several
16 participants’ arguments during Docket No. R97-1 focused on the equity concerns
17 with a large gap particularly for those customers who were obligated to mail what
18 would otherwise be heavyweight First-Class Mail pieces at Priority Mail rates. To
19 address this concern, the PRC recommended and the Postal Service
20 subsequently implemented an increase from 11 to 13 ounces in the maximum

⁷ See Docket No. R94-1, PRC Op. at V-37, para. 5119 where the Postal Rate Commission accepts a revision to the treatment of air transportation costs proposed by Nashua/District witness Haldi and mitigates the impact of this rate design change “[t]o avoid severe rate impact and potential market dislocations. . . .”

1 First-Class Mail weight.⁸ While the Docket No. R97-1 change in the maximum
2 weight for First-Class Mail directly addressed the “gap” between First-Class Mail
3 rates and Priority Mail rates, the underlying causes of the problem have not been
4 addressed. This problem results from the large weight step (currently 19
5 ounces) when mailers move between the two classes and the differences in the
6 cost structure of the two mail classes. While a sequence of changes in the
7 maximum First-Class Mail weight will, to some extent, mitigate the problem, a
8 long-term solution must address the specific causes of the problem. A one-
9 pound Priority Mail rate would reduce the weight step between First-Class Mail
10 and Priority Mail from 19 ounces to 3 ounces with a corresponding reduction in
11 the underlying cost of the incremental weight step. Obviously, changing the rate
12 design by adding a one-pound Priority Mail rate does not change the relative
13 cost of providing a heavy-weight, First-Class Mail piece versus the cost of
14 providing a light-weight, Priority Mail piece. However, appropriate rate design
15 can be used to choose a breakpoint between the two classes that will result in a
16 smooth transition between the cost structures of the two classes. Therefore, I
17 am proposing that the rate for a one-pound Priority Mail piece be \$3.45, \$0.40
18 lower than the proposed \$3.85, two-pound Priority Mail rate.⁹

19 The proposed one-pound Priority Mail rate is \$0.35 greater than the First-
20 Class Mail rate (\$3.10) for a 13-ounce piece proposed by witness Fronk.¹⁰ For
21 this additional \$0.35, a customer receives considerable additional service. The

⁸ See Docket No. R97-1, PRC Op. at 338-339.

⁹ The Priority Mail flat-rate envelope provided by the Postal Service would continue to be priced at the two-pound rate.

¹⁰ USPS-T33, Attachment A.

1 customer can mail an additional three ounces (compare to the proposed First-
2 Class Mail additional ounce rate of \$0.23¹¹), receives expedited handling and
3 transportation, and can purchase delivery confirmation, a service is not available
4 with First-Class Mail.¹² In addition, the one-pound rate provides an attractive
5 alternative for customers mailing documents; and provides a lower-price
6 alternative for First-Class Mail customers who wish to “buy up” to Priority Mail
7 service.

8 **F. Rate Differential Between 2-, 3-, 4- and 5- Pound Unzoned Rates**

9 Once the 1-pound and 2-pound rates were set, the rate increment
10 between the 2-, 3-, 4- and 5-pound unzoned rates was set at \$1.25. A uniform
11 rate increment for unzoned Priority Mail is consistent with prior Commission
12 decisions¹³ and results in a relatively simple rate structure. In addition, adopting
13 the even rate increment in this case furthers my goal of mitigating rate changes
14 that significantly disrupt the historical relationships between rate cells.¹⁴

15 **G. Rate Constraints**

16 The uncertain future of the Priority Mail network configuration makes
17 significant changes in relative rates within the Priority Mail rate schedule
18 undesirable and may increase the number and size of rate fluctuations over time.
19 For example, by mitigating the impact of the Emery contract on rates, the Postal

¹¹ USPS-T33, Attachment A.

¹² The proposed \$0.35 rate differential is within the range of “gaps” implied by recent Commission Recommended Decisions. In its Docket No. R94-1 Recommended Decision, the Postal Rate Commission recommended rates that resulted in a “gap” of \$0.38 (\$3.00 two-pound Priority Mail rate less \$2.62, 11-ounce First-Class Mail rate). Adjusted for inflation, this rate differential would be higher in current (2000) dollars.

¹³ Docket No. R94-1, PRC Op. at V-40. Docket No. R97-1, PRC Op. at 367.

¹⁴ In future rate proposals, following a full evaluation of and decision on the future Priority Mail network configuration, the desirability of even rate increments may need to be re-evaluated.

1 Service will be able to fully evaluate the operational feasibility of alternate
2 network configurations without being constrained by having fully incorporated the
3 unique features of the current contract into rates.

4 Therefore, to maintain the current relative rate structure, the rate change
5 (from the current rates) is constrained to be within a 5 percent band around the
6 average rate change for Priority Mail as a whole. As a result, for the unzoned
7 rate cells, the smallest increase, as compared to the current rates is
8 approximately 10% and the largest increase is approximately 20%. All rates
9 were rounded to the nearest five-cent increment.

10 **H. Base (Electronic) Delivery Confirmation Service**

11 Consistent with the Commission's treatment of delivery confirmation in its
12 Docket No. R97-1 Recommended Decision, the costs for the base (electronic)
13 delivery confirmation service for Priority Mail have been included in Priority Mail
14 costs. Like all other Priority Mail costs, base (electronic) delivery confirmation
15 costs have been increased by the contingency and the Priority Mail markup. I
16 am proposing that base (electronic) delivery confirmation service remain an
17 included service for Priority Mail with a zero additional charge.¹⁵

18 **IV. Pickup Fees**

19 Pickup service is available for Express Mail, Priority Mail, and Standard
20 (B) service on an on-call or scheduled basis. The current fee is \$8.25. The
21 average cost per stop for each option is developed by witness Campbell¹⁶.

¹⁵ Witness Mayo (USPS-T39) proposes the fee for Priority Mail manual delivery confirmation service.

¹⁶ USPS-LR-I-160, Section I, p. 1

1 In Attachment I, I develop a weighted average cost based on the test year
2 estimated number of stops for Express Mail, Priority Mail, and Standard (B)
3 Parcels. The weighted average cost is \$10.01. I propose a fee of \$10.25 for
4 each pickup stop yielding a 105% cost coverage. The low cost coverage is
5 consistent with cost coverages from prior cases and is justified due to the large
6 percentage increase required to cover the estimated test year cost.

7 **V. Delivery Confirmation Forecast -- Priority Mail and Standard (B)**

8 I project delivery confirmation volumes associated with Priority Mail and
9 Standard (B) based on FY 1999 delivery confirmation program scanner data and
10 the adoption curve proposed by USPS witness Sharkey in Docket No. R97-1 and
11 accepted by the Commission¹⁷. Delivery confirmation service was available
12 throughout FY 1999 during both a pilot program and was fully implemented on
13 March 14, 1999.¹⁸ Therefore, FY 1999 is assumed to be "Year 1" for the
14 purposes of projecting delivery confirmation volume. Using the adoption curve
15 employed in Docket No. R97-1¹⁹, Year 1 volume is projected to be 11.92 percent
16 of total delivery confirmation volume once the program has been fully adopted.
17 In the test year, 2001 or Year 3, the adoption curve projects that 50 percent of
18 the potential market will have adopted delivery confirmation. As shown in
19 Attachment J, delivery confirmation volumes are separately projected using the
20 adoption curve for Priority Mail electronic and retail delivery confirmation service

¹⁷ Docket No. R97-1, PRC Op. at 359.

¹⁸ Delivery confirmation service was available for Priority Mail customers who electronically manifest during the pilot period. Retail service and Standard (B) service began with the implementation of rates on March 14, 1999.

¹⁹ Docket No. R97-1, USPS-33R, p. 6-8.

1 and for Standard (B) electronic and retail delivery confirmation service. In the
2 test year, 177 million Priority Mail and Standard (B) delivery confirmation
3 transactions are projected to occur.

4 Customers find delivery confirmation to be an important value-added
5 service and expect it to be included at no additional cost. Some account
6 managers have suggested that the availability of delivery confirmation service
7 has been instrumental in making sales to new customers. While the Postal
8 Service cannot readily identify which new Priority Mail customers decided to
9 purchase Priority Mail solely due to the availability of delivery confirmation, I
10 believe that the availability of delivery confirmation will result in additional growth
11 in Priority Mail volumes that would not have occurred in the absence of the
12 delivery confirmation service. However, Priority Mail exists in a dynamic
13 marketplace and does not offer the range of value-added services (such as track
14 and trace) that are offered by competitors. Therefore, due to the relatively recent
15 availability of delivery confirmation and tempered with a recognition of the other
16 services available in the marketplace, I have conservatively increased witness
17 Musgrave's projected Priority Mail volume by 1% in 2000 and increased the
18 growth rate for Priority Mail by 1% in 2001. This results in an additional 25.6
19 million pieces of Priority Mail in the test year before rates. I have also calculated
20 final adjustments to projected costs based on these additional volumes.

**Single Piece Priority Mail
FY 1998 Volume**

Attachment A
page 1 of 8

Weight to: (Pounds)	Zone L 1 2 3 4	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate	51,761,707	16,747,923	17,414,931	11,239,481	6,931,054	15,388,683	119,483,779
1	207,592,737	52,272,083	55,871,993	32,251,924	22,618,391	44,913,374	415,520,502
2	175,949,866	52,134,457	56,797,688	30,257,359	22,113,695	43,382,959	380,636,025
3	49,110,911	17,461,571	20,144,595	11,977,878	8,828,010	16,074,898	123,597,863
4	19,726,360	7,674,389	8,833,606	5,534,741	4,029,075	7,729,684	53,527,856
5	9,458,087	3,497,156	4,591,028	2,585,272	2,046,593	4,039,780	26,217,915
6	4,896,344	2,004,482	2,219,280	1,512,169	1,288,955	2,218,941	14,130,171
7	2,631,732	1,173,103	1,266,746	1,050,065	750,124	1,630,946	8,502,716
8	1,851,917	843,107	837,656	653,662	493,513	1,145,359	5,825,215
9	1,143,297	553,789	676,519	458,318	375,014	849,960	4,056,897
10	867,808	414,175	572,229	320,864	299,689	607,851	3,082,617
11	741,035	307,932	441,061	320,811	248,915	485,361	2,545,115
12	454,382	214,059	316,156	187,044	142,076	340,504	1,654,220
13	352,557	163,730	210,787	149,769	132,001	309,185	1,318,029
14	323,611	141,289	156,009	80,907	105,096	209,838	1,016,749
15	271,665	121,746	121,705	80,391	127,006	173,013	895,526
16	207,024	90,117	106,413	71,973	67,174	144,471	687,171
17	193,327	73,938	85,863	69,720	47,654	159,239	629,740
18	115,874	67,497	91,223	60,848	36,883	115,090	487,413
19	93,615	26,831	78,333	29,478	43,388	101,594	373,239
20	75,117	48,149	57,637	45,332	23,639	82,480	333,363
21	65,357	36,889	47,048	21,896	30,803	64,188	266,181
22	58,664	20,658	102,835	19,335	31,496	56,495	289,484
23	69,863	30,714	28,808	11,966	49,048	91,431	281,630
24	55,438	25,549	20,317	14,610	12,347	43,248	171,510
25	50,826	19,626	35,622	10,791	18,131	49,525	184,521
26	55,807	9,592	46,642	8,363	42,399	71,428	234,031
27	62,537	13,821	10,681	18,013	9,973	28,172	143,197
28	66,192	14,550	16,991	14,912	11,598	40,082	164,325
29	28,550	15,480	6,206	10,441	10,841	30,591	102,109
30	40,094	10,189	7,124	8,575	19,620	20,487	106,089
31	21,937	13,183	8,253	11,006	8,092	23,004	85,476
32	25,062	12,760	12,071	6,601	1,960	22,929	81,382
33	16,127	6,136	6,062	11,582	7,120	15,588	62,615
34	20,866	5,573	4,724	10,049	4,005	20,957	66,174
35	7,775	9,903	3,317	3,525	5,283	10,491	40,295
36	9,869	3,781	6,318	4,386	2,256	7,454	34,064
37	15,505	3,604	2,559	4,784	5,898	16,519	48,869
38	5,279	5,389	6,500	5,701	11,013	9,471	43,352
39	7,868	2,707	6,113	1,910	3,852	15,850	38,301
40	8,258	4,289	2,127	6,105	9,336	6,210	36,325
41	13,982	1,257	1,191	1,755	3,295	6,800	28,279
42	1,623	9,791	5,270	2,227	2,083	9,722	30,716
43	2,034	830	7,241	1,437	3,836	12,151	27,529
44	3,401	4,453	2,164	134	1,302	4,620	16,073
45	1,397	651	2,012	718	2,993	3,910	11,680
46	1,707	2,325	498	18	1,033	2,220	7,802
47	443	4,055	862	4,321	1,948	2,513	14,144
48	4,320	1,661	1,003	237	870	5,098	13,189
49	3,710	80	8,536	616	875	10,483	24,300
50	1,889	1,290	880	1,459	1,081	10,838	17,436
51	1,517	1,111	0	1,423	356	3,242	7,649
52	3,944	5,788	864	273	245	1,852	12,966
53	4,437	968	2,785	356	44	1,471	10,061
54	949	297	113	165	667	1,594	3,785
55	1,380	265	0	423	0	1,114	3,182
56	1,004	800	560	0	1,130	3,580	7,075
57	1,020	196	734	372	0	1,482	3,804
58	4,670	3,081	0	225	0	2,124	10,100
59	1,653	1,029	0	22	1,218	74	3,995
60	1,199	804	0	0	0	976	2,978
61	383	0	0	399	200	2,139	3,121
62	854	0	0	253	349	966	2,422
63	200	0	0	584	0	1,959	2,743
64	125	474	727	212	200	671	2,409
65	21	0	91	87	889	0	1,088
66	0	0	22	0	245	372	639
67	926	291	610	0	0	1,297	3,125
68	223	258	0	0	0	0	481
69	0	0	0	212	0	626	838
70	22	0	366	0	0	0	388
Total	528,559,678	156,338,664	171,308,106	99,160,487	71,067,877	140,841,235	1,167,276,048

Source: Billing Determinants, Fiscal Year 1998, LR-I-125, B-1, pp. 1-2

**Single Piece Priority Mail
R94-1 Remand Rates**

Attachment A
page 2 of 8

Weight to: (Pounds)	Zone L, 1, 2 & 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
Flat Rate	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
1	3.00	3.00	3.00	3.00	3.00	3.00
2	3.00	3.00	3.00	3.00	3.00	3.00
3	4.00	4.00	4.00	4.00	4.00	4.00
4	5.00	5.00	5.00	5.00	5.00	5.00
5	6.00	6.00	6.00	6.00	6.00	6.00
6	6.35	6.90	7.10	7.20	7.80	8.00
7	6.65	7.50	8.10	8.40	9.20	9.80
8	6.95	8.00	9.00	9.50	10.40	11.60
9	7.40	8.60	9.80	10.60	11.30	13.00
10	7.80	9.30	10.55	11.40	12.15	14.05
11	8.25	9.90	11.35	12.20	13.00	15.10
12	8.70	10.55	12.10	13.00	13.90	16.15
13	9.10	11.20	12.80	13.80	14.75	17.20
14	9.55	11.85	13.60	14.55	15.60	18.25
15	10.00	12.45	14.35	15.35	16.50	19.30
16	10.40	13.15	15.05	16.15	17.35	20.35
17	10.85	13.75	15.80	16.95	18.20	21.40
18	11.30	14.35	16.50	17.75	19.05	22.45
19	11.70	15.05	17.25	18.55	19.95	23.60
20	12.15	15.65	17.95	19.30	20.80	24.55
21	12.60	16.35	18.70	20.10	21.65	25.60
22	13.00	16.95	19.40	20.90	22.55	26.65
23	13.45	17.55	20.15	21.70	23.40	27.70
24	13.85	18.25	20.85	22.50	24.25	28.75
25	14.30	18.85	21.60	23.25	25.15	29.85
26	14.75	19.50	22.30	24.05	26.00	30.90
27	15.15	20.15	23.00	24.85	26.85	31.95
28	15.60	20.80	23.75	25.65	27.70	33.00
29	16.05	21.40	24.45	26.45	28.60	34.05
30	16.45	22.10	25.20	27.20	29.45	35.10
31	16.90	22.70	25.90	28.00	30.30	36.15
32	17.35	23.40	26.65	28.80	31.20	37.20
33	17.75	24.00	27.35	29.60	32.05	38.25
34	18.20	24.60	28.10	30.40	32.90	39.30
35	18.60	25.30	28.80	31.20	33.75	40.35
36	19.05	25.90	29.55	31.95	34.65	41.40
37	19.50	26.55	30.25	32.75	35.50	42.45
38	19.90	27.20	31.00	33.55	36.35	43.50
39	20.35	27.80	31.70	34.35	37.25	44.65
40	20.80	28.45	32.40	35.15	38.10	45.60
41	21.20	29.10	33.15	35.90	38.95	46.65
42	21.65	29.75	33.85	36.70	39.85	47.70
43	22.10	30.35	34.60	37.50	40.70	48.80
44	22.50	31.05	35.30	38.30	41.55	49.85
45	22.95	31.65	36.05	39.10	42.40	50.90
46	23.35	32.35	36.75	39.85	43.30	51.95
47	23.80	32.95	37.50	40.65	44.15	53.00
48	24.25	33.55	38.20	41.45	45.00	54.05
49	24.65	34.25	38.95	42.25	45.90	55.10
50	25.10	34.85	39.65	43.05	46.75	56.15
51	25.55	35.50	40.35	43.85	47.60	57.20
52	25.95	36.15	41.10	44.60	48.50	58.25
53	26.40	36.80	41.80	45.40	49.35	59.30
54	26.85	37.40	42.55	46.20	50.20	60.35
55	27.25	38.05	43.25	47.00	51.05	61.40
56	27.70	38.70	44.00	47.80	51.95	62.45
57	28.10	39.35	44.70	48.55	52.80	63.50
58	28.55	40.00	45.45	49.35	53.65	64.55
59	29.00	40.60	46.15	50.15	54.55	65.60
60	29.40	41.30	46.90	50.95	55.40	66.65
61	29.85	41.90	47.60	51.75	56.25	67.75
62	30.30	42.50	48.35	52.50	57.10	68.80
63	30.70	43.20	49.05	53.30	58.00	69.85
64	31.15	43.80	49.75	54.10	58.85	70.90
65	31.60	44.45	50.50	54.90	59.70	71.95
66	32.00	45.10	51.20	55.70	60.60	73.00
67	32.45	45.75	51.95	56.50	61.45	74.05
68	32.90	46.35	52.65	57.25	62.30	75.10
69	33.30	47.05	53.40	58.05	63.20	76.15
70	33.75	47.65	54.10	58.85	64.05	77.20

Pickup Fee 4.25

**Single Piece Priority Mail
FY 1998 Calculated Revenue**

Attachment A
page 3 of 8

Weight to: (Pounds)	Zone 1, 2 & 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate	\$ 155,285,122	\$ 50,243,768	\$ 52,244,792	\$ 33,718,443	\$ 20,793,181	\$ 46,188,050	\$ 358,451,337
1	622,778,211	156,816,249	167,615,979	96,755,771	67,855,172	134,740,123	1,246,561,506
2	527,849,599	156,403,371	170,393,064	90,772,077	66,341,085	130,148,878	1,141,908,075
3	196,443,645	69,846,283	80,578,381	47,911,511	35,312,040	64,299,591	494,391,451
4	98,631,799	38,371,945	44,168,029	27,673,707	20,145,376	38,648,422	267,639,279
5	56,748,523	20,982,938	27,546,167	15,511,629	12,279,556	24,238,677	157,307,491
6	31,028,286	13,830,925	15,756,889	10,887,618	10,053,847	17,751,526	99,309,090
7	17,501,015	8,798,269	10,260,646	8,820,547	6,901,142	15,983,270	68,264,889
8	12,870,825	6,744,853	7,538,908	6,209,792	5,132,539	13,286,167	51,783,083
9	8,460,395	4,762,585	6,629,886	4,858,172	4,237,662	11,049,481	39,998,181
10	6,768,906	3,851,828	6,037,016	3,657,855	3,641,227	8,540,307	32,497,138
11	6,113,542	3,048,525	5,006,043	3,913,896	3,235,889	7,328,958	28,646,852
12	3,953,125	2,258,317	3,825,485	2,431,569	1,974,853	5,499,134	19,942,483
13	3,208,266	1,833,771	2,898,076	2,066,807	1,947,019	5,317,988	17,071,928
14	3,090,481	1,674,274	2,121,722	1,177,201	1,639,495	3,829,536	13,532,708
15	2,716,655	1,515,735	1,746,463	1,233,998	2,095,607	3,339,144	12,647,601
16	2,153,052	1,185,035	1,601,509	1,162,366	1,165,462	2,939,981	10,207,405
17	2,097,599	1,016,642	1,356,639	1,181,751	867,298	3,407,710	9,927,640
18	1,309,371	968,576	1,505,174	1,080,050	702,613	2,583,770	8,149,555
19	1,095,299	403,801	1,351,243	546,826	865,584	2,387,459	6,650,212
20	912,666	769,181	1,034,584	874,899	491,695	2,025,137	6,108,161
21	823,499	603,129	879,805	440,118	666,886	1,643,201	5,056,637
22	762,629	350,149	1,985,004	404,109	710,246	1,505,602	5,727,739
23	939,655	539,030	576,453	259,654	1,147,732	2,532,645	5,995,169
24	767,810	466,275	423,615	328,734	299,427	1,243,372	3,529,233
25	726,807	369,959	769,438	250,887	455,983	1,478,327	4,051,411
26	820,199	187,049	1,040,112	201,127	1,102,371	2,207,125	5,557,984
27	947,432	278,492	245,673	447,629	267,774	900,100	3,087,100
28	1,032,602	302,633	403,532	382,495	321,267	1,322,705	3,765,234
29	458,223	331,265	151,743	276,169	310,064	1,041,609	2,569,073
30	659,539	225,176	179,537	233,249	577,801	719,092	2,594,395
31	370,739	299,264	213,763	308,170	245,193	831,592	2,268,722
32	434,822	298,583	321,680	190,104	61,138	852,969	2,159,296
33	286,251	147,264	165,796	342,835	228,208	596,233	1,766,587
34	379,768	137,086	132,747	305,505	131,769	823,596	1,910,474
35	144,621	250,548	95,540	109,981	178,303	423,314	1,202,307
36	187,998	97,918	186,701	140,144	78,161	308,600	999,524
37	302,346	95,677	77,422	156,661	209,395	701,240	1,542,741
38	105,059	146,575	201,485	191,261	400,317	411,983	1,456,680
39	160,114	75,267	193,779	65,622	143,503	706,118	1,344,402
40	171,771	122,024	68,911	214,592	355,711	283,156	1,216,165
41	296,410	36,568	39,477	63,002	128,344	317,216	881,017
42	35,144	291,293	178,378	81,713	83,017	463,725	1,133,269
43	44,954	25,185	250,529	53,880	156,130	592,986	1,123,663
44	76,516	138,252	76,376	5,113	54,118	230,303	580,679
45	32,055	20,607	72,532	28,066	126,893	199,019	479,172
46	39,861	75,205	18,312	711	44,746	115,343	294,179
47	10,549	133,616	32,343	175,660	86,007	133,210	571,385
48	104,759	55,721	38,296	9,835	39,157	275,539	523,307
49	91,454	2,751	332,479	26,020	40,147	577,605	1,070,457
50	47,405	44,940	34,880	62,796	50,552	608,538	849,113
51	38,750	39,433	0	62,400	16,960	185,455	342,999
52	102,359	209,218	35,517	12,173	11,870	107,893	479,029
53	117,127	35,625	116,406	16,180	2,158	87,245	374,741
54	25,486	11,112	4,811	7,614	33,479	96,182	178,684
55	37,612	10,071	0	19,888	0	68,374	135,945
56	27,815	30,943	24,653	0	58,727	223,583	365,720
57	28,663	7,727	32,817	18,054	0	94,100	181,361
58	133,315	123,240	0	11,124	0	137,130	404,810
59	47,930	41,759	0	1,097	66,446	4,860	162,092
60	35,246	33,188	0	0	0	65,050	133,484
61	11,421	0	0	20,648	11,239	144,944	188,253
62	25,862	0	0	13,306	19,918	66,450	125,536
63	6,142	0	0	31,151	0	136,834	174,127
64	3,905	20,746	36,163	11,464	11,759	47,587	131,623
65	663	0	4,612	4,773	53,078	0	63,126
66	0	0	1,120	0	14,831	27,150	43,101
67	30,061	13,334	31,673	0	0	96,079	171,147
68	7,332	11,945	0	0	0	0	19,276
69	0	0	0	12,301	0	47,697	59,997
70	738	0	19,822	0	0	0	20,560
Total	1,772,957,799	552,062,720	620,720,623	368,444,502	276,679,156	569,193,987	4,160,058,787

Revenue as calculated should be adjusted to RPW Revenue by multiplying by 100.071331 percent. Adjustment factor is derived by dividing RPW revenue less pick-up charge revenue of \$1,350,123 by the calculated total revenue.

Source: Billing Determinants, Fiscal Year 1998, LR-1-125, B-1, pp. 5-6

Presorted Priority Mail
FY 1998 Volume

Attachment A
page 4 of 8

Weight to: (Pounds)	Zone 1,1,2&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate	796,701	295,326	306,469	123,710	45,787	99,012	1,667,005
1	1,583,876	413,289	330,717	166,070	156,422	103,622	2,753,995
2	1,059,031	117,508	232,499	71,248	33,891	190,351	1,704,529
3	332,160	109,559	72,931	34,513	20,356	24,250	593,768
4	95,083	18,100	20,072	1,201	6,229	8,007	148,692
5	26,780	8,444	7,593	3,655	1,438	13,604	61,514
6	24,229	557	18,972	1,658	0	881	46,296
7	19,924	15,077	8,414	9,625	0	17,723	70,763
8	13,005	0	364	0	1,285	777	15,432
9	12,422	632	0	0	1,720	496	15,271
10	9,782	4,496	211	0	616	791	15,897
11	4,186	0	2,620	0	1,896	0	8,702
12	3,995	0	850	1,128	0	0	5,973
13	1,142	0	0	0	1,129	0	2,271
14	936	0	0	0	0	0	936
15	0	0	0	0	0	0	0
16	56	0	0	17,180	0	496	17,733
17	0	1,831	0	0	0	647	2,478
18	0	0	0	0	0	267	267
19	0	0	0	0	0	1,128	1,128
20	1,670	0	0	0	0	0	1,670
21	6,278	0	0	0	0	0	6,278
22	0	2,397	0	0	0	0	2,397
23	678	0	0	0	0	0	678
24	0	0	91	0	0	0	91
25	0	0	0	0	0	0	0
26	0	0	0	0	0	0	0
27	0	0	0	0	0	0	0
28	0	0	0	0	0	0	0
29	0	0	0	0	0	0	0
30	0	0	0	0	0	0	0
31	0	0	0	0	0	0	0
32	0	0	133	0	0	0	133
33	0	0	0	0	0	0	0
34	0	0	0	0	0	0	0
35	623	0	0	0	0	0	623
36	0	0	0	0	0	0	0
37	2,302	0	0	0	0	0	2,302
38	0	0	0	0	0	0	0
39	0	0	0	0	0	0	0
40	0	0	0	0	0	0	0
41	1,388	0	0	0	0	0	1,388
42	0	0	0	0	0	0	0
43	0	0	0	0	0	0	0
44	0	0	0	0	0	0	0
45	0	0	0	0	0	0	0
46	0	0	0	0	0	0	0
47	0	0	0	0	0	0	0
48	0	0	0	0	0	0	0
49	0	0	0	0	0	0	0
50	0	0	0	0	0	0	0
51	0	0	0	0	0	0	0
52	0	0	0	0	0	0	0
53	0	0	0	0	0	0	0
54	0	0	1,070	0	0	0	1,070
55	0	0	0	0	0	0	0
56	0	0	0	0	0	0	0
57	0	0	0	0	0	0	0
58	0	0	0	0	0	0	0
59	0	0	0	0	0	0	0
60	0	0	0	0	0	0	0
61	0	0	0	0	0	0	0
62	0	0	0	0	0	0	0
63	0	0	0	0	0	0	0
64	0	0	0	0	0	0	0
65	0	0	0	0	0	0	0
66	0	0	0	0	0	0	0
67	0	0	0	0	0	0	0
68	0	0	0	0	0	0	0
69	0	0	0	0	0	0	0
70	0	0	0	0	0	0	0
Total	3,996,247	987,217	1,003,007	429,989	270,767	462,053	7,149,279

Source: Billing Determinants, Fiscal Year 1998, LR-I-125, B-2, pp. 1-2

**Presorted Priority Mail
R94-1 Remand Rates**

Attachment A
page 5 of 8

Weight to: (Pounds)	Zone <u>L, 1, 2 & 3</u>	<u>Zone 4</u>	<u>Zone 5</u>	<u>Zone 6</u>	<u>Zone 7</u>	<u>Zone 8</u>
Flat Rate	\$2.89	\$2.89	\$2.89	\$2.89	\$2.89	\$2.89
1	2.89	2.89	2.89	2.89	2.89	2.89
2	2.89	2.89	2.89	2.89	2.89	2.89
3	3.89	3.89	3.89	3.89	3.89	3.89
4	4.89	4.89	4.89	4.89	4.89	4.89
5	5.89	5.89	5.89	5.89	5.89	5.89
6	6.24	6.79	6.99	7.09	7.69	7.89
7	6.54	7.39	7.99	8.29	9.09	9.69
8	6.84	7.89	8.89	9.39	10.29	11.49
9	7.29	8.49	9.69	10.49	11.19	12.89
10	7.69	9.19	10.44	11.29	12.04	13.94
11	8.14	9.79	11.24	12.09	12.89	14.99
12	8.59	10.44	11.99	12.89	13.79	16.04
13	8.99	11.09	12.69	13.69	14.64	17.09
14	9.44	11.74	13.49	14.44	15.49	18.14
15	9.89	12.34	14.24	15.24	16.39	19.19
16	10.29	13.04	14.94	16.04	17.24	20.24
17	10.74	13.64	15.69	16.84	18.09	21.29
18	11.19	14.24	16.39	17.64	18.94	22.34
19	11.59	14.94	17.14	18.44	19.84	23.39
20	12.04	15.54	17.84	19.19	20.69	24.44
21	12.49	16.24	18.59	19.99	21.54	25.49
22	12.89	16.84	19.29	20.79	22.44	26.54
23	13.34	17.44	20.04	21.59	23.29	27.59
24	13.74	18.14	20.74	22.39	24.14	28.64
25	14.19	18.74	21.49	23.14	25.04	29.74
26	14.64	19.39	22.19	23.94	25.89	30.79
27	15.04	20.04	22.89	24.74	26.74	31.84
28	15.49	20.69	23.64	25.54	27.59	32.89
29	15.94	21.29	24.34	26.34	28.49	33.94
30	16.34	21.99	25.09	27.09	29.34	34.99
31	16.79	22.59	25.79	27.89	30.19	36.04
32	17.24	23.29	26.54	28.69	31.09	37.09
33	17.64	23.89	27.24	29.49	31.94	38.14
34	18.09	24.49	27.99	30.29	32.79	39.19
35	18.49	25.19	28.69	31.09	33.64	40.24
36	18.94	25.79	29.44	31.84	34.54	41.29
37	19.39	26.44	30.14	32.64	35.39	42.34
38	19.79	27.09	30.89	33.44	36.24	43.39
39	20.24	27.69	31.59	34.24	37.14	44.44
40	20.69	28.34	32.29	35.04	37.99	45.49
41	21.09	28.99	33.04	35.79	38.84	46.54
42	21.54	29.64	33.74	36.59	39.74	47.59
43	21.99	30.24	34.49	37.39	40.59	48.69
44	22.39	30.94	35.19	38.19	41.44	49.74
45	22.84	31.54	35.94	38.99	42.29	50.79
46	23.24	32.24	36.64	39.74	43.19	51.84
47	23.69	32.84	37.39	40.54	44.04	52.89
48	24.14	33.44	38.09	41.34	44.89	53.94
49	24.54	34.14	38.84	42.14	45.79	54.99
50	24.99	34.74	39.54	42.94	46.64	56.04
51	25.44	35.39	40.24	43.74	47.49	57.09
52	25.84	36.04	40.99	44.49	48.39	58.14
53	26.29	36.69	41.69	45.29	49.24	59.19
54	26.74	37.29	42.44	46.09	50.09	60.24
55	27.14	37.94	43.14	46.89	50.94	61.29
56	27.59	38.59	43.89	47.69	51.84	62.34
57	27.99	39.24	44.59	48.44	52.69	63.39
58	28.44	39.89	45.34	49.24	53.54	64.44
59	28.89	40.49	46.04	50.04	54.44	65.49
60	29.29	41.19	46.79	50.84	55.29	66.54
61	29.74	41.79	47.49	51.64	56.14	67.64
62	30.19	42.39	48.24	52.39	56.99	68.69
63	30.59	43.09	48.94	53.19	57.89	69.74
64	31.04	43.69	49.64	53.99	58.74	70.79
65	31.49	44.34	50.39	54.79	59.59	71.84
66	31.89	44.99	51.09	55.59	60.49	72.89
67	32.34	45.64	51.84	56.39	61.34	73.94
68	32.79	46.24	52.54	57.14	62.19	74.99
69	33.19	46.94	53.29	57.94	63.09	76.04
70	33.64	47.54	53.99	58.74	63.94	77.09

**Presorted Priority Mail
FY 1998 Calculated Revenue**

Attachment A
page 6 of 8

Weight to: (Pounds)	Zone 1,2&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate	\$ 2,302,465	\$ 853,492	\$ 885,696	\$ 357,523	\$ 132,323	\$ 286,145	\$ 4,817,644
1	4,577,401	1,194,406	955,771	479,943	452,059	299,466	7,959,047
2	3,060,600	339,600	671,921	205,908	97,945	550,115	4,926,089
3	1,292,102	426,186	283,700	134,254	79,184	94,332	2,309,757
4	464,957	88,508	98,152	5,875	30,459	39,152	727,103
5	157,732	49,735	44,725	21,529	8,467	80,130	362,318
6	151,187	3,781	132,614	11,753	0	6,952	306,286
7	130,306	111,420	67,230	79,790	0	171,731	560,477
8	88,957	0	3,240	0	13,218	8,933	114,348
9	90,558	5,367	0	0	19,246	6,398	121,569
10	75,225	41,317	2,207	0	7,418	11,030	137,197
11	34,074	0	29,450	0	24,436	0	87,961
12	34,319	0	10,189	14,536	0	0	59,044
13	10,265	0	0	0	16,530	0	26,795
14	8,833	0	0	0	0	0	8,833
15	0	0	0	0	0	0	0
16	574	0	0	275,574	0	10,046	286,194
17	0	24,973	0	0	0	13,772	38,745
18	0	0	0	0	0	5,971	5,971
19	0	0	0	0	0	26,377	26,377
20	20,112	0	0	0	0	0	20,112
21	78,415	0	0	0	0	0	78,415
22	0	40,371	0	0	0	0	40,371
23	9,050	0	0	0	0	0	9,050
24	0	0	1,890	0	0	0	1,890
25	0	0	0	0	0	0	0
26	0	0	0	0	0	0	0
27	0	0	0	0	0	0	0
28	0	0	0	0	0	0	0
29	0	0	0	0	0	0	0
30	0	0	0	0	0	0	0
31	0	0	0	0	0	0	0
32	0	0	3,539	0	0	0	3,539
33	0	0	0	0	0	0	0
34	0	0	0	0	0	0	0
35	11,513	0	0	0	0	0	11,513
36	0	0	0	0	0	0	0
37	44,635	0	0	0	0	0	44,635
38	0	0	0	0	0	0	0
39	0	0	0	0	0	0	0
40	0	0	0	0	0	0	0
41	29,267	0	0	0	0	0	29,267
42	0	0	0	0	0	0	0
43	0	0	0	0	0	0	0
44	0	0	0	0	0	0	0
45	0	0	0	0	0	0	0
46	0	0	0	0	0	0	0
47	0	0	0	0	0	0	0
48	0	0	0	0	0	0	0
49	0	0	0	0	0	0	0
50	0	0	0	0	0	0	0
51	0	0	0	0	0	0	0
52	0	0	0	0	0	0	0
53	0	0	0	0	0	0	0
54	0	0	45,393	0	0	0	45,393
55	0	0	0	0	0	0	0
56	0	0	0	0	0	0	0
57	0	0	0	0	0	0	0
58	0	0	0	0	0	0	0
59	0	0	0	0	0	0	0
60	0	0	0	0	0	0	0
61	0	0	0	0	0	0	0
62	0	0	0	0	0	0	0
63	0	0	0	0	0	0	0
64	0	0	0	0	0	0	0
65	0	0	0	0	0	0	0
66	0	0	0	0	0	0	0
67	0	0	0	0	0	0	0
68	0	0	0	0	0	0	0
69	0	0	0	0	0	0	0
70	0	0	0	0	0	0	0
Total	12,672,544	3,179,156	3,235,717	1,586,683	881,285	1,610,552	23,165,938

Revenue as calculated should be adjusted to RPW Revenue by multiplying by 95.140383 percent. Adjustment factor is derived by dividing RPW revenue by the calculated total revenue.

Source: Billing Determinants, Fiscal Year 1998, LR-I-126, B-2, pp. 5-6

**Total Priority Mail
FY 1998 Volume**

Attachment A
page 7 of 8

Weight to: (Pounds)	Zone 1, 1.2 & 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate	52,558,408	17,043,249	17,721,400	11,363,191	6,976,840	15,487,696	121,150,784
1	209,176,613	52,685,372	56,202,710	32,417,994	22,774,813	45,016,996	418,274,497
2	177,008,898	52,251,966	57,030,187	30,328,607	22,147,586	43,573,311	382,340,554
3	49,443,071	17,571,130	20,217,526	12,012,390	8,848,366	16,099,148	124,191,630
4	19,821,443	7,692,489	8,853,678	5,535,943	4,035,304	7,737,691	53,676,548
5	9,484,867	3,505,600	4,598,621	2,588,927	2,048,030	4,053,384	26,279,429
6	4,910,573	2,005,039	2,238,252	1,513,827	1,288,955	2,219,822	14,176,467
7	2,651,656	1,188,180	1,275,161	1,059,690	750,124	1,648,668	8,573,479
8	1,864,923	843,107	838,021	653,662	494,798	1,146,137	5,840,647
9	1,155,719	554,421	676,519	458,318	376,734	850,456	4,072,168
10	877,591	418,671	572,440	320,864	300,306	608,642	3,098,514
11	745,221	307,932	443,681	320,811	250,810	485,361	2,553,817
12	458,377	214,059	317,006	188,171	142,076	340,504	1,660,192
13	353,699	163,730	210,787	149,769	133,130	309,185	1,320,300
14	324,546	141,289	156,009	80,907	105,096	209,838	1,017,685
15	271,665	121,746	121,705	80,391	127,006	173,013	895,526
16	207,080	90,117	106,413	89,154	67,174	144,967	704,904
17	193,327	75,768	85,863	69,720	47,654	159,886	632,218
18	115,874	67,497	91,223	60,848	36,883	115,357	487,681
19	93,615	26,831	78,333	29,478	43,388	102,722	374,367
20	76,787	49,149	57,637	45,332	23,639	82,490	335,034
21	71,635	36,889	47,048	21,896	30,803	64,188	272,459
22	58,664	23,055	102,835	19,335	31,496	56,495	291,881
23	70,541	30,714	28,608	11,966	49,048	91,431	282,309
24	55,438	25,549	20,408	14,610	12,347	43,248	171,601
25	50,826	19,626	35,622	10,791	18,131	49,525	184,521
26	55,607	9,592	46,642	8,363	42,399	71,428	234,031
27	62,537	13,821	10,681	18,013	9,973	28,172	143,197
28	66,192	14,550	16,991	14,912	11,598	40,082	164,325
29	28,550	15,480	6,206	10,441	10,841	30,591	102,109
30	40,094	10,189	7,124	8,575	19,620	20,487	106,089
31	21,937	13,183	8,253	11,006	8,092	23,004	85,476
32	25,062	12,760	12,204	6,601	1,960	22,929	81,515
33	16,127	6,136	6,062	11,582	7,120	15,588	62,615
34	20,866	5,573	4,724	10,049	4,005	20,957	66,174
35	8,398	9,903	3,317	3,525	5,283	10,491	40,918
36	9,869	3,781	6,318	4,386	2,256	7,454	34,064
37	17,807	3,604	2,559	4,784	5,898	16,519	51,171
38	5,279	5,389	6,500	5,701	11,013	9,471	43,352
39	7,866	2,707	6,113	1,910	3,852	15,850	38,301
40	8,258	4,289	2,127	6,105	9,336	6,210	36,325
41	15,369	1,257	1,191	1,755	3,295	6,800	29,667
42	1,623	9,791	5,270	2,227	2,083	9,722	30,716
43	2,034	830	7,241	1,437	3,836	12,151	27,529
44	3,401	4,453	2,164	134	1,302	4,620	16,073
45	1,397	651	2,012	718	2,993	3,910	11,680
46	1,707	2,325	498	18	1,033	2,220	7,802
47	443	4,055	862	4,321	1,948	2,513	14,144
48	4,320	1,661	1,003	237	870	5,098	13,189
49	3,710	80	8,536	616	875	10,483	24,300
50	1,889	1,290	880	1,459	1,081	10,838	17,436
51	1,517	1,111	0	1,423	356	3,242	7,649
52	3,944	5,788	864	273	245	1,852	12,966
53	4,437	968	2,785	356	44	1,471	10,061
54	949	297	1,183	185	667	1,594	4,854
55	1,380	265	0	423	0	1,114	3,182
56	1,004	800	560	0	1,130	3,580	7,075
57	1,020	196	734	372	0	1,482	3,804
58	4,670	3,081	0	225	0	2,124	10,100
59	1,653	1,029	0	22	1,218	74	3,995
60	1,199	804	0	0	0	976	2,978
61	383	0	0	399	200	2,139	3,121
62	854	0	0	253	349	966	2,422
63	200	0	0	584	0	1,959	2,743
64	125	474	727	212	200	671	2,409
65	21	0	91	87	889	0	1,088
66	0	0	22	0	245	372	639
67	926	291	610	0	0	1,297	3,125
68	223	258	0	0	0	0	481
69	0	0	0	212	0	626	838
70	22	0	366	0	0	0	388
Total	532,555,925	157,325,881	172,311,113	99,590,476	71,338,644	141,303,288	1,174,425,327
						Pickup Stops	272,473

Source: By rate cell, Attachment A, page 1 + Attachment A, page 4

**Total Priority Mail
FY 1998 Calculated Revenue**

Attachment A
page 8 of 8

Weight to: (Pounds)	Zone 1,1,2&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate \$	\$ 157,587,587	\$ 51,097,261	\$ 53,130,488	\$ 34,075,966	\$ 20,925,484	\$ 46,452,196	363,268,981
1	627,355,611	158,010,655	168,571,751	97,235,714	68,307,231	135,039,590	1,254,520,553
2	530,910,199	156,742,971	171,064,985	90,977,985	66,439,030	130,696,994	1,146,834,164
3	197,735,746	70,272,469	80,862,081	48,045,765	35,391,223	64,393,923	496,701,207
4	99,096,756	38,460,454	44,266,181	27,679,582	20,175,834	38,687,575	268,366,382
5	56,906,255	21,032,674	27,590,892	15,533,158	12,288,023	24,318,807	157,669,809
6	31,179,472	13,834,706	15,889,502	10,899,371	10,053,847	17,758,478	99,615,378
7	17,631,321	8,909,689	10,327,876	8,900,338	6,901,142	16,155,001	68,825,366
8	12,959,782	6,744,853	7,542,148	6,209,792	5,145,756	13,295,100	51,897,431
9	8,550,953	4,767,952	6,629,886	4,858,172	4,256,908	11,055,879	40,119,750
10	6,844,131	3,893,145	6,039,223	3,657,855	3,648,645	8,551,337	32,634,336
11	6,147,616	3,048,525	5,035,493	3,913,896	3,260,326	7,328,958	28,734,813
12	3,987,444	2,258,317	3,835,674	2,446,105	1,974,853	5,499,134	20,001,527
13	3,218,531	1,833,771	2,698,076	2,066,807	1,963,550	5,317,988	17,096,723
14	3,099,314	1,674,274	2,121,722	1,177,201	1,639,495	3,829,536	13,541,541
15	2,716,655	1,515,735	1,746,463	1,233,998	2,095,607	3,339,144	12,647,601
16	2,153,626	1,185,035	1,601,509	1,437,939	1,165,462	2,950,027	10,493,598
17	2,097,599	1,041,615	1,356,639	1,181,751	867,298	3,421,482	9,966,385
18	1,309,371	968,576	1,505,174	1,080,050	702,613	2,589,741	8,155,526
19	1,095,299	403,801	1,351,243	546,826	865,584	2,413,836	6,676,589
20	932,777	769,181	1,034,584	874,899	491,695	2,025,137	6,128,273
21	901,913	603,129	879,805	440,118	666,886	1,643,201	5,135,052
22	762,629	390,520	1,995,004	404,109	710,246	1,505,602	5,768,109
23	948,706	539,030	576,453	259,654	1,147,732	2,532,645	6,004,219
24	767,810	466,275	425,505	328,734	299,427	1,243,372	3,531,123
25	726,807	369,959	769,438	250,887	455,993	1,478,327	4,051,411
26	820,199	187,049	1,040,112	201,127	1,102,371	2,207,125	5,557,984
27	947,432	278,492	245,673	447,629	267,774	900,100	3,087,100
28	1,032,602	302,633	403,532	382,495	321,267	1,322,705	3,765,234
29	458,223	331,265	151,743	276,169	310,064	1,041,609	2,569,073
30	659,539	225,176	179,537	233,249	577,801	719,092	2,594,395
31	370,739	299,264	213,763	308,170	245,193	831,592	2,268,722
32	434,822	298,583	325,219	190,104	61,138	852,969	2,162,835
33	286,251	147,264	165,796	342,835	228,208	596,233	1,766,587
34	379,768	137,086	132,747	305,505	131,769	823,598	1,910,474
35	156,134	250,548	95,540	109,981	178,303	423,314	1,213,819
36	187,998	97,918	186,701	140,144	78,161	308,600	999,524
37	346,981	95,677	77,422	156,661	209,395	701,240	1,587,376
38	105,059	148,575	201,485	191,261	400,317	411,983	1,456,680
39	160,114	75,267	193,779	65,622	143,503	706,118	1,344,402
40	171,771	122,024	68,911	214,592	355,711	283,156	1,216,165
41	325,677	36,568	39,477	63,002	128,344	317,216	910,284
42	35,144	291,293	178,378	81,713	83,017	463,725	1,133,269
43	44,954	25,185	250,529	53,880	156,130	592,986	1,123,663
44	76,516	138,252	76,376	5,113	54,118	230,303	580,679
45	32,055	20,607	72,532	28,066	126,893	199,019	479,172
46	39,861	75,205	18,312	711	44,746	115,343	294,179
47	10,549	133,616	32,343	175,660	86,007	133,210	571,385
48	104,759	55,721	38,296	9,835	39,157	275,539	523,307
49	91,454	2,751	332,479	26,020	40,147	577,605	1,070,457
50	47,405	44,940	34,880	62,796	50,552	608,538	849,113
51	38,750	39,433	0	62,400	16,960	185,455	342,999
52	102,359	209,218	35,517	12,173	11,870	107,893	479,029
53	117,127	35,625	116,406	16,180	2,158	87,245	374,741
54	25,486	11,112	50,203	7,614	33,479	96,182	224,077
55	37,612	10,071	0	19,888	0	68,374	135,945
56	27,815	30,943	24,653	0	58,727	223,583	365,720
57	28,663	7,727	32,817	18,054	0	94,100	181,361
58	133,315	123,240	0	11,124	0	137,130	404,810
59	47,930	41,759	0	1,097	66,446	4,860	162,092
60	35,246	33,188	0	0	0	85,050	133,484
61	11,421	0	0	20,648	11,239	144,944	188,253
62	25,862	0	0	13,306	19,918	66,450	125,536
63	6,142	0	0	31,151	0	136,834	174,127
64	3,905	20,746	36,163	11,464	11,759	47,587	131,623
65	663	0	4,612	4,773	53,078	0	63,126
66	0	0	1,120	0	14,831	27,150	43,101
67	30,061	13,334	31,673	0	0	96,079	171,147
68	7,332	11,945	0	0	0	0	19,276
69	0	0	0	12,301	0	47,697	59,997
70	738	0	19,822	0	0	0	20,560
Total	1,785,630,344	555,241,876	623,956,341	370,031,185	277,560,440	570,804,540	4,183,224,725

Pickup Fees \$ 1,350,123

Source: By rate cell, Attachment A, page 3 + Attachment A, page 6

Priority Mail
Test Year Before Rates Volumes without R97-1 Reclassification

Attachment B
page 1 of 7

Weight to: (Pounds)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate	67,872,632	22,009,296	22,865,046	14,674,188	9,009,746	20,000,487	156,451,596		
1	270,126,316	68,036,791	72,579,008	41,863,822	29,410,918	58,134,010	540,150,964		
2	228,585,600	67,477,099	73,647,584	39,165,731	28,600,931	56,269,665	493,746,619		
3	63,849,751	22,690,991	26,108,491	15,512,550	11,426,595	20,790,103	160,378,482		
4	25,596,998	9,933,920	11,433,455	7,149,001	5,211,107	9,992,293	69,316,774		
5	12,248,559	4,527,059	5,938,564	3,343,286	2,644,784	5,234,456	33,936,707		
6	6,341,411	2,589,265	2,890,432	1,954,924	1,664,529	2,866,632	18,307,194		
7	3,424,293	1,534,391	1,646,716	1,368,462	968,695	2,129,056	11,071,612		
8	2,408,322	1,088,770	1,082,203	844,126	638,972	1,480,097	7,542,490		
9	1,492,471	715,968	873,643	591,863	486,507	1,098,262	5,258,713		
10	1,133,302	540,663	739,238	414,358	387,808	785,988	4,001,357		
11	962,363	397,657	572,961	414,289	323,891	626,786	3,297,946		
12	591,939	276,431	409,374	243,001	183,474	439,719	2,143,938		
13	456,759	211,437	272,206	193,408	171,922	399,276	1,705,008		
14	419,112	182,458	201,467	104,482	135,719	270,980	1,314,217		
15	350,823	157,220	157,167	103,815	164,013	223,425	1,156,463		
16	267,419	116,375	137,419	115,131	85,747	187,208	910,298		
17	249,659	97,846	110,882	90,035	61,539	206,473	816,433		
18	149,637	87,164	117,803	78,578	47,629	148,970	629,780		
19	120,893	34,649	101,158	38,068	56,030	132,653	483,449		
20	99,161	63,470	74,431	58,540	30,527	106,528	432,656		
21	92,508	47,637	60,757	28,277	39,778	82,890	351,848		
22	75,757	29,773	132,799	24,969	40,674	72,957	378,929		
23	91,096	39,663	36,944	15,452	63,340	118,072	364,567		
24	71,591	32,994	26,355	18,868	15,945	55,849	221,602		
25	65,635	25,345	46,002	13,935	23,414	63,956	238,287		
26	71,809	12,387	60,232	10,800	54,753	92,241	302,222		
27	80,759	17,848	13,794	23,262	12,879	36,381	184,922		
28	85,479	18,789	21,942	19,257	14,978	51,761	212,206		
29	36,869	19,990	8,015	13,484	14,000	39,504	131,861		
30	51,776	13,158	9,200	11,074	25,337	26,456	137,001		
31	28,329	17,025	10,856	14,213	10,450	29,707	110,382		
32	32,364	16,478	15,760	8,524	2,531	29,610	105,267		
33	20,826	7,924	7,828	14,957	9,195	20,130	80,860		
34	26,946	7,196	6,101	12,978	5,172	27,063	85,456		
35	10,845	12,789	4,284	4,552	6,822	13,548	52,840		
36	12,744	4,882	8,159	5,664	2,913	9,626	43,989		
37	22,995	4,654	3,305	6,177	7,617	21,333	66,081		
38	6,818	6,959	8,393	7,362	14,222	12,230	55,984		
39	10,161	3,496	7,894	2,467	4,975	20,468	49,461		
40	10,665	5,539	2,747	7,884	12,057	8,019	46,909		
41	19,848	1,623	1,538	2,266	4,255	8,781	38,311		
42	2,096	12,644	6,805	2,875	2,690	12,554	39,686		
43	2,627	1,072	9,351	1,855	4,954	15,692	35,550		
44	4,392	5,750	2,794	172	1,682	5,966	20,756		
45	1,804	841	2,598	927	3,865	5,049	15,084		
46	2,205	3,002	643	23	1,335	2,867	10,075		
47	572	5,237	1,114	5,580	2,516	3,246	18,265		
48	5,579	2,145	1,295	306	1,124	6,583	17,031		
49	4,791	104	11,023	795	1,130	13,537	31,380		
50	2,439	1,665	1,136	1,884	1,396	13,996	22,516		
51	1,959	1,434	0	1,838	460	4,187	9,878		
52	5,094	7,474	1,116	352	316	2,392	16,744		
53	5,729	1,250	3,596	460	56	1,900	12,992		
54	1,226	384	1,527	213	861	2,058	6,269		
55	1,782	342	0	546	0	1,438	4,109		
56	1,297	1,033	724	0	1,460	4,623	9,136		
57	1,317	254	948	480	0	1,914	4,913		
58	6,030	3,979	0	291	0	2,743	13,043		
59	2,134	1,328	0	28	1,573	96	5,160		
60	1,548	1,038	0	0	0	1,260	3,846		
61	494	0	0	515	258	2,763	4,030		
62	1,102	0	0	327	450	1,247	3,127		
63	258	0	0	755	0	2,530	3,543		
64	162	612	939	274	258	867	3,111		
65	27	0	118	112	1,148	0	1,405		
66	0	0	28	0	316	480	825		
67	1,196	376	787	0	0	1,676	4,036		
68	288	333	0	0	0	0	621		
69	0	0	0	274	0	809	1,082		
70	28	0	473	0	0	0	501		
Total	687,731,617	203,167,362	222,518,978	128,609,064	92,125,237	182,476,120	1,516,628,379		

Source: By rate cell, Attachment A, p. 7 * Attachment B p. 1 (f)

(a) Attachment A, p. 7	FY 1998 Priority Mail volume	1,174,425,327
(b) Attachment J, p. 2 (B)	Test Year Before Rates Priority Mail Volume	1,356,714,577
(c) LR-114, p. 8	11-13 ounce pieces migrated to First-Class Mail	165,188,366
(d) Attachment B, p. 2 (b)	13-16 ounce single piece Standard (A) migrated to Priority Mail	5,274,564
(e) = (b) + (c) - (d)	TYBR Priority Mail volume without R97-1 reclassification	1,516,628,379
(f) = (b) / (e)	Volume adjustment factor without R97-1 reclassification	129%

Attachment B
page 2 of 7

- | | | |
|-----|--|-------------|
| (a) | .001-16.000 ounce pieces distributed by ounce increment from special weight report | |
| (b) | (i) Migration from Standard (A) single piece to First-Class Mail (USPS-T7, Workpaper, p.4-2) | 100,216,710 |
| | (ii) Share of Standard (A) single piece weighting 13-oz or less (LR-I-125, p. G-1) | 95% |
| | (iii) Total Migration Standard (A) single piece to Priority Mail (i) * [1-(ii)] / (ii) | 5,274,564 |
| | allocated to ounce increments using GFY 1998 Std (A) billing determinants (LR-I-125, p. G-1) | |
| (c) | By ounce increment, total pieces migrating from Priority Mail to First-Class Mail (LR-I-114, p. 8) | |
| (e) | Postage ounces (maximum weight) | |

- | | | |
|-----------------|----------------------|-------|
| (d) = (c) / (a) | Average Weight (ozs) | 22.95 |
| (e) =(d) / 16 | Average Weight (lbs) | 1.434 |

- (a) 16.001-32 ounce pieces distributed by ounce increment from special weight report
(b) Postage ounces (maximum weight)

- | | | |
|---------------------------|----------|-------------------|
| | | Average
Weight |
| (a) Special weight report | (ounces) | 10.2969 |
| (b) = (a) / 16 | (pounds) | 0.6436 |

Priority Mail
Test Year Before Rates Volumes with R97-1 Reclassification

Attachment B
page 3 of 7

Weight to: (Pounds)	<u>L 1,2&3</u>	<u>Zone 4</u>	<u>Zone 5</u>	<u>Zone 6</u>	<u>Zone 7</u>	<u>Zone 8</u>	<u>Total</u>
Flat Rate	67,872,832	22,009,296	22,885,046	14,674,188	9,009,746	20,000,487	156,451,596
1	190,154,365	47,894,234	51,091,709	29,469,944	20,703,701	40,923,209	380,237,162
2	228,585,600	67,477,099	73,647,594	39,165,731	28,600,931	56,269,665	493,746,619
3	63,849,751	22,690,991	26,108,491	15,512,550	11,426,595	20,790,103	160,378,482
4	25,596,998	9,933,920	11,433,455	7,149,001	5,211,107	9,992,293	69,316,774
5	12,248,559	4,527,059	5,938,564	3,343,286	2,644,784	5,234,456	33,936,707
6	6,341,411	2,589,265	2,890,432	1,954,924	1,664,529	2,866,632	18,307,194
7	3,424,293	1,534,391	1,646,716	1,368,462	968,695	2,129,056	11,071,612
8	2,408,322	1,088,770	1,082,203	844,126	638,972	1,480,097	7,542,490
9	1,492,471	715,968	873,643	591,863	486,507	1,098,262	5,258,713
10	1,133,302	540,663	739,238	414,358	387,808	785,988	4,001,357
11	962,363	397,657	572,961	414,289	323,891	626,786	3,297,946
12	591,939	276,431	409,374	243,001	183,474	439,719	2,143,938
13	456,759	211,437	272,206	193,408	171,922	389,276	1,705,008
14	419,112	182,458	201,467	104,482	135,719	270,980	1,314,217
15	350,823	157,220	157,167	103,815	164,013	223,425	1,156,463
16	267,419	116,375	137,419	115,131	86,747	187,208	910,298
17	249,659	97,846	110,882	90,035	61,539	206,473	816,433
18	149,637	87,164	117,803	78,578	47,629	148,970	629,780
19	120,893	34,649	101,158	38,068	56,030	132,653	483,449
20	99,161	63,470	74,431	58,540	30,527	106,526	432,656
21	92,508	47,637	60,757	28,277	39,778	82,890	351,848
22	75,757	29,773	132,799	24,969	40,674	72,957	376,929
23	91,096	39,663	36,944	15,452	63,340	118,072	364,567
24	71,591	32,994	26,355	18,868	15,945	55,849	221,602
25	65,635	25,345	46,002	13,935	23,414	63,956	238,287
26	71,809	12,387	60,232	10,800	54,753	92,241	302,222
27	60,759	17,848	13,794	23,262	12,879	36,361	184,922
28	85,479	18,789	21,942	19,257	14,978	51,761	212,206
29	36,869	19,990	8,015	13,484	14,000	39,504	131,861
30	51,776	13,158	9,200	11,074	25,337	26,456	137,001
31	28,329	17,025	10,658	14,213	10,450	29,707	110,382
32	32,364	16,478	15,760	8,524	2,531	29,610	105,267
33	20,826	7,824	7,828	14,957	9,195	20,130	80,860
34	26,946	7,196	6,101	12,978	5,172	27,063	85,456
35	10,845	12,789	4,284	4,552	6,822	13,548	52,840
36	12,744	4,882	8,159	5,664	2,913	9,626	43,989
37	22,995	4,654	3,305	6,177	7,617	21,333	66,081
38	6,818	6,959	8,393	7,362	14,222	12,230	55,984
39	10,161	3,496	7,894	2,467	4,975	20,468	49,461
40	10,665	5,539	2,747	7,884	12,057	8,019	46,909
41	19,848	1,623	1,538	2,266	4,255	8,781	38,311
42	2,096	12,644	6,805	2,875	2,690	12,554	39,666
43	2,627	1,072	9,351	1,855	4,954	15,692	35,550
44	4,392	5,750	2,794	172	1,682	5,966	20,756
45	1,804	841	2,598	927	3,865	5,049	15,084
46	2,205	3,002	643	23	1,335	2,867	10,075
47	572	5,237	1,114	5,580	2,516	3,246	18,265
48	5,579	2,145	1,295	306	1,124	6,583	17,031
49	4,791	104	11,023	795	1,130	13,537	31,380
50	2,439	1,665	1,136	1,884	1,396	13,996	22,516
51	1,959	1,434	0	1,838	460	4,187	9,878
52	5,094	7,474	1,116	352	316	2,392	16,744
53	5,729	1,250	3,596	460	56	1,900	12,992
54	1,226	384	1,527	213	861	2,058	6,269
55	1,782	342	0	546	0	1,438	4,109
56	1,297	1,033	724	0	1,460	4,623	9,136
57	1,317	254	948	480	0	1,914	4,913
58	6,030	3,979	0	291	0	2,743	13,043
59	2,134	1,328	0	28	1,573	96	5,160
60	1,548	1,038	0	0	0	1,260	3,846
61	494	0	0	515	258	2,763	4,030
62	1,102	0	0	327	450	1,247	3,127
63	258	0	0	755	0	2,530	3,543
64	162	612	939	274	258	867	3,111
65	27	0	118	112	1,148	0	1,405
66	0	0	28	0	316	480	825
67	1,196	376	787	0	0	1,676	4,036
68	288	333	0	0	0	0	621
69	0	0	0	274	0	809	1,082
70	28	0	473	0	0	0	501
Total	607,759,667	183,024,805	201,031,680	116,215,086	83,418,020	165,265,319	1,356,714,577
						Pickup Stops	314,765

Source: 1-pound : Attachment B, p. 2, A(d) distributed by zone on Attachment B, p. 1
Flat rate envelope, 2-70 pounds: Attachment B, p. 1

Priority Mail
Weight Per Piece (pounds)

Attachment B
page 4 of 7

Weight to: (Pounds)	<u>L 1,2&3</u>	<u>Zone 4</u>	<u>Zone 5</u>	<u>Zone 6</u>	<u>Zone 7</u>	<u>Zone 8</u>
Flat Rate	0.64	0.64	0.64	0.64	0.64	0.64
1	0.72	0.72	0.72	0.72	0.72	0.72
2	1.43	1.43	1.43	1.43	1.43	1.43
3	3.00	3.00	3.00	3.00	3.00	3.00
4	4.00	4.00	4.00	4.00	4.00	4.00
5	5.00	5.00	5.00	5.00	5.00	5.00
6	6.00	6.00	6.00	6.00	6.00	6.00
7	7.00	7.00	7.00	7.00	7.00	7.00
8	8.00	8.00	8.00	8.00	8.00	8.00
9	9.00	9.00	9.00	9.00	9.00	9.00
10	10.00	10.00	10.00	10.00	10.00	10.00
11	11.00	11.00	11.00	11.00	11.00	11.00
12	12.00	12.00	12.00	12.00	12.00	12.00
13	13.00	13.00	13.00	13.00	13.00	13.00
14	14.00	14.00	14.00	14.00	14.00	14.00
15	15.00	15.00	15.00	15.00	15.00	15.00
16	16.00	16.00	16.00	16.00	16.00	16.00
17	17.00	17.00	17.00	17.00	17.00	17.00
18	18.00	18.00	18.00	18.00	18.00	18.00
19	19.00	19.00	19.00	19.00	19.00	19.00
20	20.00	20.00	20.00	20.00	20.00	20.00
21	21.00	21.00	21.00	21.00	21.00	21.00
22	22.00	22.00	22.00	22.00	22.00	22.00
23	23.00	23.00	23.00	23.00	23.00	23.00
24	24.00	24.00	24.00	24.00	24.00	24.00
25	25.00	25.00	25.00	25.00	25.00	25.00
26	26.00	26.00	26.00	26.00	26.00	26.00
27	27.00	27.00	27.00	27.00	27.00	27.00
28	28.00	28.00	28.00	28.00	28.00	28.00
29	29.00	29.00	29.00	29.00	29.00	29.00
30	30.00	30.00	30.00	30.00	30.00	30.00
31	31.00	31.00	31.00	31.00	31.00	31.00
32	32.00	32.00	32.00	32.00	32.00	32.00
33	33.00	33.00	33.00	33.00	33.00	33.00
34	34.00	34.00	34.00	34.00	34.00	34.00
35	35.00	35.00	35.00	35.00	35.00	35.00
36	36.00	36.00	36.00	36.00	36.00	36.00
37	37.00	37.00	37.00	37.00	37.00	37.00
38	38.00	38.00	38.00	38.00	38.00	38.00
39	39.00	39.00	39.00	39.00	39.00	39.00
40	40.00	40.00	40.00	40.00	40.00	40.00
41	41.00	41.00	41.00	41.00	41.00	41.00
42	42.00	42.00	42.00	42.00	42.00	42.00
43	43.00	43.00	43.00	43.00	43.00	43.00
44	44.00	44.00	44.00	44.00	44.00	44.00
45	45.00	45.00	45.00	45.00	45.00	45.00
46	46.00	46.00	46.00	46.00	46.00	46.00
47	47.00	47.00	47.00	47.00	47.00	47.00
48	48.00	48.00	48.00	48.00	48.00	48.00
49	49.00	49.00	49.00	49.00	49.00	49.00
50	50.00	50.00	50.00	50.00	50.00	50.00
51	51.00	51.00	51.00	51.00	51.00	51.00
52	52.00	52.00	52.00	52.00	52.00	52.00
53	53.00	53.00	53.00	53.00	53.00	53.00
54	54.00	54.00	54.00	54.00	54.00	54.00
55	55.00	55.00	55.00	55.00	55.00	55.00
56	56.00	56.00	56.00	56.00	56.00	56.00
57	57.00	57.00	57.00	57.00	57.00	57.00
58	58.00	58.00	58.00	58.00	58.00	58.00
59	59.00	59.00	59.00	59.00	59.00	59.00
60	60.00	60.00	60.00	60.00	60.00	60.00
61	61.00	61.00	61.00	61.00	61.00	61.00
62	62.00	62.00	62.00	62.00	62.00	62.00
63	63.00	63.00	63.00	63.00	63.00	63.00
64	64.00	64.00	64.00	64.00	64.00	64.00
65	65.00	65.00	65.00	65.00	65.00	65.00
66	66.00	66.00	66.00	66.00	66.00	66.00
67	67.00	67.00	67.00	67.00	67.00	67.00
68	68.00	68.00	68.00	68.00	68.00	68.00
69	69.00	69.00	69.00	69.00	69.00	69.00
70	70.00	70.00	70.00	70.00	70.00	70.00

Source: Flat rate envelope : Attachment B, p. 2, C(b)
1-pound : Attachment B, p. 2, A(h)
2-pound : Attachment B, p. 2, B(e)
3-70 pounds: Postage pounds (maximum weight)

Priority Mail
Test Year Before Rates Weight (pounds)

Attachment B
Page 5 of 7

Weight to: (Pounds)	L 1,2&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate	43,679,985	14,164,220	14,727,815	9,443,666	5,798,278	12,871,439	100,685,403
1	136,067,884	34,271,456	36,559,459	21,087,672	14,814,852	29,283,232	272,084,556
2	327,902,653	96,794,898	105,846,381	56,182,661	41,027,611	80,718,000	708,272,204
3	191,549,253	68,072,973	78,325,474	46,537,651	34,279,784	62,370,310	481,135,446
4	102,387,993	39,735,679	45,733,820	28,596,005	20,844,429	39,969,172	277,267,097
5	61,242,796	22,635,297	29,692,818	16,716,430	13,223,918	26,172,278	169,683,535
6	38,048,468	15,535,591	17,342,592	11,729,547	9,987,176	17,199,790	109,843,163
7	23,970,053	10,740,734	11,527,011	9,579,231	6,780,862	14,903,392	77,501,283
8	19,266,578	8,710,163	8,657,622	8,753,007	5,111,773	11,840,776	60,339,918
9	13,432,241	6,443,711	7,862,783	5,326,763	4,378,560	9,884,355	47,328,413
10	11,333,022	5,406,629	7,392,376	4,143,577	3,878,083	7,859,880	40,013,567
11	10,585,997	4,374,223	6,302,566	4,557,177	3,562,803	6,894,642	36,277,409
12	7,103,268	3,317,168	4,912,493	2,916,009	2,201,684	5,276,632	25,727,253
13	5,937,866	2,748,681	3,538,680	2,514,305	2,234,984	5,190,582	22,165,098
14	5,867,572	2,554,406	2,820,534	1,462,747	1,900,060	3,793,719	18,399,038
15	5,262,347	2,358,299	2,357,505	1,557,224	2,460,202	3,351,374	17,346,951
16	4,278,701	1,861,999	2,199,703	1,842,096	1,387,946	2,995,321	14,584,765
17	4,244,196	1,683,378	1,884,994	1,530,591	1,046,164	3,510,042	13,879,365
18	2,693,461	1,568,947	2,120,455	1,414,398	857,329	2,681,459	11,336,049
19	2,296,965	658,322	1,921,993	723,290	1,064,568	2,520,400	9,185,539
20	1,983,220	1,269,399	1,488,624	1,170,805	610,542	2,130,525	8,653,115
21	1,942,673	1,000,381	1,275,904	593,808	835,346	1,740,700	7,388,812
22	1,666,658	855,002	2,821,584	549,324	894,826	1,605,053	8,292,448
23	2,095,197	912,257	849,710	355,399	1,456,821	2,715,665	8,385,049
24	1,718,180	791,853	632,519	452,822	382,687	1,340,381	5,318,443
25	1,640,880	633,631	1,150,042	348,376	585,348	1,598,895	5,957,172
26	1,867,044	322,068	1,566,039	280,790	1,423,579	2,398,257	7,857,776
27	2,180,485	481,898	372,432	628,072	347,729	982,285	4,992,901
28	2,393,426	526,096	614,364	539,201	419,371	1,449,308	5,941,766
29	1,069,187	579,714	232,424	391,022	406,010	1,145,616	3,823,974
30	1,553,280	394,735	276,012	332,220	760,096	793,693	4,110,036
31	878,206	527,770	330,407	440,603	323,953	920,910	3,421,850
32	1,035,656	527,295	504,315	272,773	80,977	947,532	3,368,549
33	687,254	261,489	258,335	493,584	303,439	664,281	2,668,382
34	916,178	244,676	207,420	441,242	175,853	920,143	2,905,514
35	379,573	447,603	149,938	159,325	238,785	474,177	1,849,402
36	458,792	175,760	293,729	203,920	104,869	346,539	1,583,608
37	850,831	172,186	122,290	228,563	281,834	789,304	2,445,009
38	259,070	264,441	318,947	279,750	540,427	464,759	2,127,394
39	396,262	136,356	307,869	96,214	194,023	798,267	1,928,991
40	426,581	221,552	109,864	315,357	482,265	320,756	1,876,375
41	813,752	66,535	63,051	92,918	174,463	360,032	1,570,752
42	88,043	531,063	285,815	120,761	112,990	527,285	1,665,957
43	112,952	46,078	402,072	79,784	213,017	674,756	1,528,659
44	193,229	252,998	122,939	7,586	74,008	262,507	913,268
45	81,168	37,836	116,920	41,713	173,915	227,218	678,770
46	101,407	138,097	29,601	1,060	61,388	131,892	463,445
47	26,902	246,124	52,348	262,279	118,238	152,550	858,441
48	267,778	102,950	62,143	14,708	53,937	315,996	817,512
49	234,767	5,083	540,140	38,970	55,346	663,330	1,537,637
50	121,848	83,264	56,802	94,186	69,821	699,781	1,125,800
51	99,887	73,156	0	93,722	23,467	213,534	503,765
52	264,878	388,641	58,030	18,328	16,434	124,381	870,692
53	303,657	66,258	190,603	24,392	2,993	100,697	668,600
54	66,192	20,720	82,470	11,493	46,507	111,139	338,520
55	98,033	18,799	0	30,055	0	79,093	225,980
56	72,618	57,821	40,518	0	81,751	258,909	511,618
57	75,083	14,455	54,041	27,372	0	109,080	280,031
58	349,747	230,767	0	16,884	0	159,118	756,516
59	125,927	78,367	0	1,666	92,807	5,644	304,411
60	92,890	62,264	0	0	0	75,622	230,776
61	30,140	0	0	31,431	15,740	168,529	245,840
62	68,338	0	0	20,292	27,928	77,331	193,890
63	16,276	0	0	47,549	0	159,375	223,200
64	10,360	39,147	60,076	17,513	16,514	55,472	199,082
65	1,762	0	7,666	7,297	74,629	0	91,354
66	0	0	1,864	0	20,859	31,699	54,422
67	80,153	25,217	52,751	0	0	112,262	270,382
68	19,569	22,630	0	0	0	0	42,199
69	0	0	0	18,881	0	55,811	74,692
70	1,977	0	33,120	0	0	0	35,097
Total	1,047,369,367	356,771,207	407,821,810	244,308,057	189,216,600	379,746,884	2,625,233,926

Source: By rate cell, Attachment B, p. 3 * Attachment B, p. 4

Priority Mail
R97-1 Rates

Attachment B
page 6 of 7

Weight to: (Pounds)	Zone L1,2&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
Flat Rate	\$3.20	\$3.20	\$3.20	\$3.20	\$3.20	\$3.20
1	3.20	3.20	3.20	3.20	3.20	3.20
2	3.20	3.20	3.20	3.20	3.20	3.20
3	4.30	4.30	4.30	4.30	4.30	4.30
4	5.40	5.40	5.40	5.40	5.40	5.40
5	6.50	6.50	6.50	6.50	6.50	6.50
6	6.60	6.90	7.10	7.45	7.70	8.25
7	6.70	7.30	7.70	8.40	8.90	10.00
8	6.80	7.70	8.30	9.35	10.10	11.75
9	6.90	8.10	8.90	10.30	11.30	13.50
10	7.00	8.50	9.50	11.25	12.50	15.25
11	7.20	9.15	10.30	12.20	13.45	16.50
12	7.40	9.80	11.05	13.10	14.45	17.80
13	7.75	10.40	11.80	14.05	15.50	19.10
14	8.10	11.05	12.55	14.95	16.50	20.40
15	8.50	11.70	13.30	15.85	17.50	21.70
16	8.85	12.30	14.00	16.75	18.55	23.00
17	9.20	12.95	14.75	17.70	19.55	24.30
18	9.60	13.60	15.50	18.60	20.60	25.60
19	9.95	14.20	16.25	19.50	21.60	26.95
20	10.35	14.85	17.00	20.40	22.65	28.20
21	10.70	15.50	17.70	21.35	23.65	29.45
22	11.05	16.15	18.45	22.25	24.70	30.65
23	11.45	16.75	19.20	23.15	25.70	31.85
24	11.75	17.40	19.95	24.05	26.70	33.05
25	12.15	18.05	20.70	25.00	27.75	34.35
26	12.55	18.65	21.40	25.90	28.75	35.55
27	12.90	19.30	22.15	26.80	29.80	36.75
28	13.25	19.95	22.90	27.70	30.80	37.95
29	13.65	20.55	23.65	28.60	31.85	39.15
30	14.00	21.20	24.40	29.55	32.85	40.35
31	14.35	21.85	25.10	30.45	33.90	41.55
32	14.75	22.45	25.85	31.35	34.90	42.80
33	15.10	23.10	26.60	32.25	35.95	44.00
34	15.45	23.70	27.35	33.15	36.95	45.20
35	15.80	24.35	28.10	34.10	37.95	46.40
36	16.20	25.00	28.80	35.00	39.00	47.60
37	16.60	25.65	29.55	35.90	40.00	48.80
38	16.90	26.25	30.30	36.85	41.05	50.05
39	17.30	26.90	31.05	37.75	42.05	51.25
40	17.70	27.55	31.80	38.65	43.10	52.45
41	18.00	28.15	32.50	39.55	44.10	53.65
42	18.40	28.80	33.25	40.45	45.15	54.85
43	18.80	29.45	34.00	41.40	46.15	56.10
44	19.15	30.05	34.75	42.30	47.20	57.35
45	19.50	30.70	35.50	43.20	48.20	58.55
46	19.85	31.35	36.20	44.10	49.20	59.75
47	20.25	31.95	36.95	45.05	50.25	60.95
48	20.60	32.60	37.70	45.95	51.25	62.15
49	20.95	33.25	38.45	46.85	52.30	63.35
50	21.35	33.85	39.20	47.75	53.30	64.55
51	21.70	34.50	39.90	48.65	54.25	65.80
52	22.05	35.15	40.65	49.60	55.30	67.00
53	22.45	35.75	41.40	50.50	56.25	68.20
54	22.80	36.40	42.15	51.40	57.25	69.40
55	23.15	37.05	42.90	52.30	58.20	70.60
56	23.55	37.65	43.60	53.25	59.20	71.80
57	23.90	38.30	44.35	54.15	60.20	73.05
58	24.25	38.95	45.10	55.05	61.15	74.25
59	24.65	39.55	45.85	55.95	62.20	75.45
60	25.00	40.20	46.60	56.90	63.15	76.65
61	25.35	40.85	47.30	57.80	64.15	77.90
62	25.75	41.45	48.05	58.70	65.10	79.10
63	26.10	42.10	48.80	59.60	66.10	80.35
64	26.50	42.75	49.55	60.55	67.10	81.55
65	26.85	43.35	50.25	61.45	68.05	82.75
66	27.20	44.00	51.00	62.35	69.10	83.95
67	27.60	44.65	51.75	63.25	70.05	85.15
68	27.95	45.25	52.50	64.15	71.00	86.35
69	28.30	45.90	53.25	65.10	72.05	87.55
70	28.70	46.55	53.95	66.00	73.00	88.80

Pickup Fee \$ 8.25

Priority Mail
Test Year Before Rates Revenues

Attachment B
Page 7 of 7

Weight to: (Pounds)	L.1,2&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate \$	\$ 217,193,063	\$ 70,429,748	\$ 73,232,148	\$ 46,957,403	\$ 28,831,187	\$ 64,001,559	\$ 500,645,108
1	608,493,969	153,261,547	163,493,469	94,303,821	66,251,843	130,954,270	1,216,758,919
2	731,473,918	215,926,716	235,672,300	125,330,340	91,522,978	180,062,928	1,579,989,181
3	274,553,929	97,571,262	112,266,513	66,703,967	49,134,358	89,397,445	689,627,473
4	138,223,791	53,643,167	61,740,657	38,604,606	28,139,979	53,958,382	374,310,581
5	79,615,634	29,425,886	38,600,663	21,731,358	17,191,093	34,023,961	220,588,596
6	41,853,315	17,865,930	20,522,067	14,564,187	12,816,875	23,649,711	131,272,085
7	22,942,765	11,201,051	12,679,712	11,495,078	8,621,382	21,290,560	88,230,547
8	16,376,591	8,383,531	8,982,282	7,892,577	6,453,613	17,391,140	65,479,735
9	10,298,051	5,799,340	7,775,419	6,096,184	5,497,526	14,826,533	50,293,052
10	7,933,115	4,595,635	7,022,757	4,661,524	4,847,604	11,986,316	41,046,952
11	6,929,016	3,638,559	5,901,494	5,054,324	4,356,337	10,341,963	36,221,692
12	4,380,349	2,709,021	4,523,587	3,183,310	2,651,194	7,827,004	25,274,464
13	3,539,892	2,198,944	3,212,033	2,717,383	2,664,789	7,626,163	21,959,194
14	3,394,810	2,016,156	2,528,407	1,562,005	2,239,356	5,527,990	17,268,724
15	2,981,996	1,839,473	2,090,321	1,645,467	2,870,236	4,848,321	16,275,815
16	2,366,657	1,431,411	1,923,865	1,928,444	1,809,149	4,305,773	13,565,300
17	2,296,859	1,267,103	1,635,509	1,593,615	1,203,089	5,017,295	13,013,470
18	1,436,512	1,185,426	1,825,947	1,461,545	981,166	3,813,631	10,704,227
19	1,202,884	492,009	1,643,810	742,324	1,210,246	3,574,989	8,866,262
20	1,026,317	942,529	1,265,330	1,194,221	691,439	3,004,040	8,123,876
21	989,838	738,376	1,075,405	603,705	940,759	2,441,124	6,789,207
22	837,117	480,831	2,450,147	555,566	1,004,646	2,236,131	7,564,438
23	1,043,044	664,361	709,323	357,717	1,627,839	3,760,606	8,162,890
24	841,192	574,093	525,782	453,765	425,739	1,845,817	4,666,389
25	797,468	457,482	952,235	348,376	649,736	2,196,882	5,402,178
26	901,208	231,022	1,288,970	279,710	1,574,149	3,279,155	7,554,214
27	1,041,787	344,468	305,532	623,420	383,790	1,336,998	4,035,995
28	1,132,603	374,844	502,462	533,424	461,308	1,964,330	4,968,971
29	503,255	410,798	189,546	385,629	445,911	1,546,582	3,481,721
30	724,864	278,946	224,489	327,237	832,305	1,067,517	3,455,359
31	406,525	371,993	267,523	432,786	354,258	1,234,317	3,067,401
32	477,373	369,930	407,392	267,233	88,316	1,267,324	2,877,568
33	314,471	183,042	208,234	482,366	330,565	885,709	2,404,386
34	416,322	170,554	166,851	430,211	191,111	1,223,249	2,598,299
35	171,350	311,404	120,379	155,228	258,911	628,623	1,645,896
36	206,456	122,056	234,983	198,255	113,608	458,202	1,333,560
37	381,724	119,367	97,667	221,768	304,685	1,041,029	2,166,240
38	115,218	182,673	254,319	271,284	583,803	612,136	2,019,433
39	175,778	94,051	245,111	93,131	209,196	1,049,005	1,866,271
40	188,762	152,594	87,342	304,714	519,641	420,591	1,673,644
41	357,257	45,682	49,980	89,632	187,854	471,115	1,201,320
42	38,571	364,157	226,270	116,304	121,464	688,609	1,555,377
43	49,384	31,558	317,917	76,816	228,622	880,322	1,584,618
44	84,099	172,786	97,094	7,293	79,391	342,155	782,817
45	35,173	25,813	92,237	40,044	186,282	295,636	675,185
46	43,759	94,116	23,294	1,017	65,658	171,316	399,161
47	11,591	167,312	41,155	251,397	128,414	197,828	795,696
48	114,922	69,920	48,808	14,080	57,589	409,149	714,467
49	100,375	3,449	423,845	37,260	59,074	857,591	1,481,594
50	52,072	56,370	44,533	89,948	74,429	903,417	1,220,787
51	42,501	49,488	0	89,403	24,962	275,501	481,855
52	112,318	262,706	45,364	17,482	17,477	160,260	615,608
53	128,625	44,693	148,886	23,242	3,177	129,576	478,197
54	27,946	13,967	64,372	10,939	49,306	142,834	309,366
55	41,263	12,664	0	28,579	0	101,527	184,033
56	30,538	38,875	31,546	0	86,423	331,959	519,341
57	31,482	9,713	42,047	26,003	0	139,795	249,040
58	146,230	154,972	0	16,025	0	203,698	520,926
59	52,612	52,532	0	1,580	97,841	7,218	211,782
60	38,704	41,717	0	0	0	96,607	177,028
61	12,526	0	0	29,782	16,552	215,220	274,080
62	28,382	0	0	19,212	29,325	98,659	175,579
63	6,743	0	0	44,983	0	203,267	254,993
64	4,290	26,149	46,512	16,569	17,314	70,683	181,517
65	728	0	5,926	6,899	78,131	0	91,683
66	0	0	1,440	0	21,838	40,320	63,599
67	33,018	16,805	40,744	0	0	142,673	233,240
68	8,043	15,059	0	0	0	0	23,102
69	0	0	0	17,814	0	70,816	88,630
70	810	0	25,526	0	0	0	26,337
Total	\$ 2,191,813,742	\$ 694,227,830	\$ 780,689,479	\$ 467,821,510	\$ 352,714,641	\$ 735,573,048	\$ 5,222,820,251

Adjustment Factor 100.071331%
Adjusted Revenue \$ 5,226,545,747
Pickup Fee Revenue \$ 2,596,812

Source: By rate cell, Attachment B, p. 3 * Attachment B, p. 6

Priority Mail
Calculation of Flat Rate Envelope Volume and Average Weight

Attachment C
page 1 of 3

(A) Distribution of flat rate envelope pieces by ounce increment

Ounce Increment	TYBR Flat Rate Envelope Volume (a)	Postage Weight (ounces) (b)	Total Weight (ounces) (c) = (a) * (b)
0.001-1.000	4,262,277	1	4,262,277
1.001-2.000	24,949,989	2	49,899,979
2.001-3.000	15,563,497	3	46,690,492
3.001-4.000	10,732,549	4	42,930,197
4.001-5.000	9,014,581	5	45,072,903
5.001-6.000	6,871,165	6	41,226,991
6.001-7.000	5,723,303	7	40,063,119
7.001-8.000	4,841,164	8	38,729,315
8.001-9.000	4,830,857	9	43,477,717
9.001-10.000	4,570,670	10	45,706,700
10.001-11.000	4,462,894	11	49,091,835
11.001-12.000	5,459,904	12	65,518,845
12.001-13.000	5,647,372	13	73,415,835
13.001-14.000	5,547,615	14	77,666,612
14.001-15.000	4,217,881	15	63,268,219
15.001-16.000	3,770,436	16	60,326,978
Total under 1 pound	120,466,155		787,348,014
over 1 pound	35,985,441		
Total	156,451,596		

Sources:

- (a) TYBR flat rate volume (Attachment B, p. 3) distributed on special weight study
(b) Postage ounces (maximum weight)

(B) Flat Rate Envelope Average Weight (pieces weighing more than one pound)

(a)	Attachment B, p. 3	TYBR flat-rate envelope pieces	156,451,596
(b)	Special weight study	Average weight (ounces)	10.30
(c)	= (a) * (b)	Total weight flat-rate envelope pieces (ounces)	1,610,966,442
(d)	Attachment C, p. 1 A(a)	Flat rate envelope pieces weighing one pound or less	120,466,155
(e)	Attachment C, p. 1 A(c)	Total weight flat rate pieces weighing one pound or less (ounces)	787,348,014
(f)	= (a) - (d)	TYBR flat rate envelope pieces weighing more than one pound	35,985,441
(g)	= (c) - (e)	Total weight flat rate envelope pieces weighing one pound or more (ozs)	823,618,428
(h)	= (g) / (f)	Total weight per piece (ounces)	22.89
(i)	= (h) / 16	Total weight per piece (pounds)	1.430

(C) One-Pound Piece Average Weight (flat rate and weight rated pieces weighing under one pound)

(a)	Attachment B, p. 2 A(d)	TYBR one-pound pieces	380,237,162
(b)	Attachment B, p. 2, A(g)	Average weight (ounces)	11.45
(c)	= (a) * (b)	Total weight one-pound pieces (ounces)	4,353,352,888
(d)	Attachment C, p. 1 A(a)	Flat rate pieces weighing one pound or less	120,466,155
(e)	Attachment C, p. 1 A(c)	Total weight flat rate pieces weighing one pound or less (ounces)	787,348,014
(f)	= (a) + (d)	TYBR pieces weighting one-pound or less	500,703,317
(g)	= (c) + (e)	Total weight one-pound pieces (ounces)	5,140,700,902
(h)	= (g) / (f)	Total weight per piece (ounces)	10.27
(i)	= (h) / 16	Total weight per piece (pounds)	0.642

Priority Mail
Test Year Before Rates Volume (One pound pieces reallocated)

Attachment C
page 2 of 3

Weight (Pounds)	L-1,283	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate - Over 1 lb	15,611,434	5,062,360	5,263,791	3,375,211	2,072,332	4,600,313	35,985,441
1 lb/Flat Rate Under 1 lb	250,398,780	63,068,011	67,278,506	38,806,587	27,263,016	53,888,438	500,703,317
2	228,585,600	67,477,099	73,647,594	39,165,731	28,600,931	56,269,665	493,746,619
3	63,849,751	22,690,991	26,108,491	15,512,560	11,426,595	20,790,103	160,378,482
4	25,596,998	9,933,920	11,433,455	7,149,001	5,211,107	9,992,293	69,316,774
5	12,248,559	4,527,069	5,938,564	3,343,286	2,644,784	5,234,456	33,936,707
6	6,341,411	2,589,265	2,890,432	1,954,924	1,664,529	2,866,632	18,307,194
7	3,424,293	1,534,391	1,646,716	1,368,462	968,695	2,129,056	11,071,612
8	2,408,322	1,088,770	1,082,203	844,126	638,972	1,480,097	7,542,490
9	1,492,471	715,968	673,643	591,863	486,507	1,098,262	5,258,713
10	1,133,302	540,663	739,238	414,358	387,808	785,988	4,001,357
11	962,363	397,657	572,961	414,289	323,891	626,786	3,297,946
12	591,939	276,431	409,374	243,001	183,474	439,719	2,143,938
13	456,759	211,437	272,206	193,408	171,922	399,276	1,705,008
14	419,112	182,458	201,467	104,482	135,719	270,980	1,314,217
15	350,823	157,220	157,167	103,815	164,013	223,425	1,156,463
16	267,419	116,375	137,419	115,131	86,747	187,208	910,298
17	249,659	97,846	110,882	90,035	61,539	206,473	816,433
18	149,637	87,164	117,803	78,578	47,629	148,970	629,780
19	120,893	34,649	101,158	38,068	56,030	132,653	483,449
20	99,161	63,470	74,431	58,540	30,527	106,526	432,656
21	92,508	47,637	60,757	28,277	39,778	82,890	351,848
22	75,757	29,773	132,799	24,969	40,674	72,957	376,929
23	91,096	39,863	36,944	15,452	63,340	118,072	364,567
24	71,591	32,994	26,355	18,868	15,945	55,849	221,602
25	65,635	25,345	46,002	13,935	23,414	63,956	238,287
26	71,809	12,387	60,232	10,800	54,753	92,241	302,222
27	80,759	17,848	13,794	23,262	12,879	36,381	184,922
28	85,479	18,789	21,942	19,257	14,978	51,761	212,206
29	36,869	19,990	8,015	13,484	14,000	39,504	131,861
30	51,776	13,158	9,200	11,074	25,337	26,456	137,001
31	28,329	17,025	10,658	14,213	10,450	29,707	110,382
32	32,364	16,478	15,760	8,524	2,531	29,610	105,267
33	20,826	7,924	7,828	14,957	9,195	20,130	80,860
34	26,946	7,196	6,101	12,978	5,172	27,063	85,456
35	10,645	12,789	4,284	4,552	6,822	13,548	52,840
36	12,744	4,882	8,159	5,664	2,913	9,626	43,989
37	22,995	4,654	3,305	6,177	7,617	21,333	66,081
38	6,818	6,958	8,393	7,362	14,222	12,230	55,984
39	10,161	3,496	7,894	2,467	4,975	20,468	49,461
40	10,665	5,539	2,747	7,884	12,057	8,019	46,909
41	19,948	1,623	1,538	2,266	4,255	8,781	38,311
42	2,096	12,644	6,805	2,875	2,690	12,554	39,666
43	2,627	1,072	9,351	1,855	4,954	15,692	35,550
44	4,392	5,750	2,794	172	1,682	5,966	20,756
45	1,804	841	2,598	927	3,865	5,049	15,084
46	2,205	3,002	643	23	1,335	2,867	10,075
47	572	5,237	1,114	5,580	2,516	3,246	18,265
48	5,579	2,145	1,295	306	1,124	6,583	17,031
49	4,791	104	11,023	795	1,130	13,537	31,380
50	2,439	1,665	1,136	1,884	1,396	13,966	22,516
51	1,959	1,434	-	1,838	460	4,187	9,878
52	5,094	7,474	1,116	352	316	2,392	16,744
53	5,729	1,250	3,596	460	56	1,900	12,992
54	1,226	384	1,527	213	861	2,058	6,269
55	1,782	342	-	546	-	1,438	4,109
56	1,297	1,033	724	-	1,480	4,623	9,136
57	1,317	254	948	480	-	1,914	4,913
58	6,030	3,979	-	291	-	2,743	13,043
59	2,134	1,328	-	28	1,573	96	5,160
60	1,548	1,038	-	-	-	1,260	3,846
61	494	-	-	515	258	2,763	4,030
62	1,102	-	-	327	450	1,247	3,127
63	258	-	-	755	-	2,530	3,543
64	162	612	939	274	258	867	3,111
65	27	-	118	112	1,148	-	1,405
66	-	-	28	-	316	480	825
67	1,196	376	787	-	-	1,676	4,036
68	288	333	-	-	-	-	621
69	-	-	-	274	-	809	1,082
70	28	-	473	-	-	-	501
Total	615,742,683	181,251,646	199,597,221	114,252,732	83,039,921	162,830,374	1,356,714,577

Source:

Flat rate envelope : Attachment C, p. 1, B(f) distributed by zone on Attachment B, p. 3
1-pound : Attachment C, p. 1, C(f) distributed by zone on Attachment B, p. 3
2-70 pounds: Attachment B, p. 3

Priority Mail
Weight per Piece (pounds)

Attachment C
page 3 of 3

Weight to: (Pounds)	<u>L 1,2&3</u>	<u>Zone 4</u>	<u>Zone 5</u>	<u>Zone 6</u>	<u>Zone 7</u>	<u>Zone 8</u>
Flat Rate - Over 1 lb	1.430	1.430	1.430	1.430	1.430	1.430
1 lb/Flat Rate Under 1 lb	0.64	0.64	0.64	0.64	0.64	0.64
2	1.434	1.434	1.434	1.434	1.434	1.434
3	3.00	3.00	3.00	3.00	3.00	3.00
4	4.00	4.00	4.00	4.00	4.00	4.00
5	5.00	5.00	5.00	5.00	5.00	5.00
6	6.00	6.00	6.00	6.00	6.00	6.00
7	7.00	7.00	7.00	7.00	7.00	7.00
8	8.00	8.00	8.00	8.00	8.00	8.00
9	9.00	9.00	9.00	9.00	9.00	9.00
10	10.00	10.00	10.00	10.00	10.00	10.00
11	11.00	11.00	11.00	11.00	11.00	11.00
12	12.00	12.00	12.00	12.00	12.00	12.00
13	13.00	13.00	13.00	13.00	13.00	13.00
14	14.00	14.00	14.00	14.00	14.00	14.00
15	15.00	15.00	15.00	15.00	15.00	15.00
16	16.00	16.00	16.00	16.00	16.00	16.00
17	17.00	17.00	17.00	17.00	17.00	17.00
18	18.00	18.00	18.00	18.00	18.00	18.00
19	19.00	19.00	19.00	19.00	19.00	19.00
20	20.00	20.00	20.00	20.00	20.00	20.00
21	21.00	21.00	21.00	21.00	21.00	21.00
22	22.00	22.00	22.00	22.00	22.00	22.00
23	23.00	23.00	23.00	23.00	23.00	23.00
24	24.00	24.00	24.00	24.00	24.00	24.00
25	25.00	25.00	25.00	25.00	25.00	25.00
26	26.00	26.00	26.00	26.00	26.00	26.00
27	27.00	27.00	27.00	27.00	27.00	27.00
28	28.00	28.00	28.00	28.00	28.00	28.00
29	29.00	29.00	29.00	29.00	29.00	29.00
30	30.00	30.00	30.00	30.00	30.00	30.00
31	31.00	31.00	31.00	31.00	31.00	31.00
32	32.00	32.00	32.00	32.00	32.00	32.00
33	33.00	33.00	33.00	33.00	33.00	33.00
34	34.00	34.00	34.00	34.00	34.00	34.00
35	35.00	35.00	35.00	35.00	35.00	35.00
36	36.00	36.00	36.00	36.00	36.00	36.00
37	37.00	37.00	37.00	37.00	37.00	37.00
38	38.00	38.00	38.00	38.00	38.00	38.00
39	39.00	39.00	39.00	39.00	39.00	39.00
40	40.00	40.00	40.00	40.00	40.00	40.00
41	41.00	41.00	41.00	41.00	41.00	41.00
42	42.00	42.00	42.00	42.00	42.00	42.00
43	43.00	43.00	43.00	43.00	43.00	43.00
44	44.00	44.00	44.00	44.00	44.00	44.00
45	45.00	45.00	45.00	45.00	45.00	45.00
46	46.00	46.00	46.00	46.00	46.00	46.00
47	47.00	47.00	47.00	47.00	47.00	47.00
48	48.00	48.00	48.00	48.00	48.00	48.00
49	49.00	49.00	49.00	49.00	49.00	49.00
50	50.00	50.00	50.00	50.00	50.00	50.00
51	51.00	51.00	51.00	51.00	51.00	51.00
52	52.00	52.00	52.00	52.00	52.00	52.00
53	53.00	53.00	53.00	53.00	53.00	53.00
54	54.00	54.00	54.00	54.00	54.00	54.00
55	55.00	55.00	55.00	55.00	55.00	55.00
56	56.00	56.00	56.00	56.00	56.00	56.00
57	57.00	57.00	57.00	57.00	57.00	57.00
58	58.00	58.00	58.00	58.00	58.00	58.00
59	59.00	59.00	59.00	59.00	59.00	59.00
60	60.00	60.00	60.00	60.00	60.00	60.00
61	61.00	61.00	61.00	61.00	61.00	61.00
62	62.00	62.00	62.00	62.00	62.00	62.00
63	63.00	63.00	63.00	63.00	63.00	63.00
64	64.00	64.00	64.00	64.00	64.00	64.00
65	65.00	65.00	65.00	65.00	65.00	65.00
66	66.00	66.00	66.00	66.00	66.00	66.00
67	67.00	67.00	67.00	67.00	67.00	67.00
68	68.00	68.00	68.00	68.00	68.00	68.00
69	69.00	69.00	69.00	69.00	69.00	69.00
70	70.00	70.00	70.00	70.00	70.00	70.00

Source: Flat rate envelope : Attachment C, p. 1, B(i)
1-pound : Attachment C, p. 1, C(i)
2-pound : Attachment B, p. 2, B(e)
3-70 pounds: Postage pounds (maximum weight)

Priority Mail
Test Year After Rates Volume with One Pound Rate

Attachment D
page 1 of 5

Weight (Pounds)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate	14,380,620	4,663,240	4,848,791	3,109,107	1,908,948	4,237,622			33,148,328
1	230,657,197	58,095,693	61,974,230	35,747,035	25,113,584	49,639,843			461,227,583
2	210,563,781	62,157,166	67,841,176	36,077,883	26,346,017	51,833,333			454,819,354
3	58,815,800	20,902,020	24,050,083	14,289,532	10,525,716	19,151,000			147,734,151
4	23,578,916	9,150,724	10,532,035	6,585,370	4,800,261	9,204,495			63,851,800
5	11,282,876	4,170,143	5,470,364	3,079,699	2,436,267	4,821,768			31,261,118
6	5,841,451	2,385,126	2,662,549	1,800,797	1,533,297	2,840,625			16,863,844
7	3,154,320	1,413,418	1,516,888	1,260,571	892,322	1,961,200			10,198,720
8	2,218,449	1,002,931	996,881	777,574	588,595	1,363,405			6,947,836
9	1,374,804	659,521	804,764	545,200	448,150	1,011,674			4,844,113
10	1,043,952	498,037	680,956	381,890	357,233	724,020			3,685,887
11	886,490	366,305	527,788	381,626	288,355	577,370			3,037,934
12	545,270	254,637	377,099	223,842	189,008	405,052			1,974,909
13	420,748	194,767	250,745	178,160	158,367	367,796			1,570,584
14	386,069	168,073	185,583	96,245	125,018	249,618			1,210,603
15	323,164	144,825	144,776	95,630	151,083	205,810			1,065,287
16	246,335	107,200	126,585	106,054	79,907	172,448			838,529
17	229,975	90,132	102,140	82,936	56,687	190,195			752,065
18	137,839	80,292	108,515	72,383	43,874	137,225			580,128
19	111,362	31,917	93,182	35,067	51,612	122,194			445,334
20	91,343	58,466	68,563	53,925	28,120	98,128			398,545
21	85,215	43,881	55,967	26,047	36,642	76,355			324,108
22	69,784	27,426	122,329	23,001	37,467	67,205			347,212
23	83,914	36,536	34,031	14,234	58,346	108,763			335,825
24	65,947	30,393	24,277	17,380	14,688	51,446			204,131
25	60,460	23,347	42,375	12,836	21,568	58,913			219,500
26	66,148	11,411	55,484	9,948	50,436	84,968			278,395
27	74,392	16,441	12,706	21,428	11,863	33,513			170,343
28	78,740	17,308	20,212	17,739	13,797	47,680			195,476
29	33,962	18,414	7,383	12,420	12,897	36,389			121,465
30	47,694	12,120	8,475	10,201	23,339	24,371			126,200
31	26,096	15,683	9,818	13,092	9,626	27,385			101,680
32	29,813	15,179	14,517	7,852	2,331	27,276			96,968
33	19,184	7,299	7,211	13,778	8,470	18,543			74,485
34	24,822	6,629	5,620	11,955	4,764	24,929			78,719
35	9,990	11,780	3,946	4,193	6,285	12,480			48,674
36	11,739	4,497	7,516	5,218	2,583	8,867			40,521
37	21,182	4,287	3,045	5,690	7,017	19,651			60,871
38	6,280	6,410	7,732	6,781	13,101	11,266			51,570
39	9,359	3,221	7,272	2,273	4,583	18,855			45,562
40	9,824	5,102	2,530	7,262	11,106	7,387			43,211
41	18,283	1,495	1,417	2,088	3,920	8,089			35,291
42	1,931	11,647	6,289	2,649	2,478	11,565			36,538
43	2,420	987	8,613	1,709	4,583	14,455			32,747
44	4,045	5,297	2,574	159	1,549	5,496			19,120
45	1,662	775	2,393	854	3,560	4,651			13,895
46	2,031	2,765	593	21	1,229	2,641			9,261
47	527	4,824	1,026	5,140	2,317	2,990			16,826
48	5,139	1,976	1,193	282	1,035	6,064			15,689
49	4,413	96	10,154	733	1,040	12,470			28,906
50	2,247	1,534	1,046	1,735	1,286	12,892			20,741
51	1,804	1,321	-	1,693	424	3,857			9,099
52	4,892	6,885	1,028	325	291	2,203			15,424
53	5,278	1,152	3,313	424	52	1,750			11,968
54	1,120	353	1,407	196	793	1,896			5,775
55	1,642	315	-	503	-	1,325			3,785
56	1,195	951	666	-	1,345	4,259			8,416
57	1,213	234	873	442	-	1,763			4,525
58	5,555	3,865	-	268	-	2,527			12,015
59	1,966	1,224	-	26	1,449	88			4,753
60	1,426	956	-	-	-	1,161			3,543
61	455	-	-	475	238	2,545			3,712
62	1,015	-	-	301	415	1,149			2,881
63	238	-	-	695	-	2,330			3,264
64	149	563	865	252	238	798			2,865
65	25	-	109	103	1,058	-			1,295
66	-	-	26	-	291	442			760
67	1,102	347	725	-	-	1,543			3,717
68	265	307	-	-	-	-			572
69	-	-	-	252	-	745			997
70	26	-	436	-	-	-			462
Total	567,197,179	166,961,663	183,860,863	105,244,981	76,493,006	149,992,735			1,249,750,426
						Pickup Stops			289,949

Source: Flat rate envelope : Attachment C, p. 2, B(f) distributed by zone on Attachment C, p. 1

1-pound : Attachment C, p. 2, C(f) distributed by zone on Attachment C, p. 1

2-70 pounds: Attachment C, p. 1

Source:

Flat rate envelope : Attachment C, p. 2, B(f)
1-pound : Attachment C, p. 2, C(f)
2-pound : Attachment B, p. 2, B(e)
3-70 pounds: maximum postage weight:

Priority Mail
Total Weight (pounds)

Attachment D
page 3 of 5

Weight to: (Pounds)	L1,2&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate	20,571,068	6,670,633	6,936,057	4,447,490	2,730,696	6,061,798	47,417,743
1	148,009,263	37,279,135	39,767,934	22,938,338	16,115,010	31,853,142	295,962,820
2	302,050,621	89,163,533	97,317,160	51,753,188	37,792,971	74,354,147	652,431,620
3	176,447,401	62,706,061	72,150,249	42,868,596	31,577,147	57,452,999	443,202,453
4	94,315,665	36,602,896	42,128,139	26,341,479	19,201,042	36,817,979	255,407,201
5	56,414,379	20,850,717	27,351,819	15,398,497	12,181,337	24,108,840	156,305,589
6	35,048,705	14,310,757	15,975,292	10,804,783	9,106,781	15,843,749	101,183,066
7	22,080,240	9,893,928	10,618,215	8,823,999	6,246,255	13,728,400	71,391,038
8	17,747,590	8,023,448	7,975,050	6,220,596	4,708,758	10,907,243	55,582,684
9	12,373,236	5,935,685	7,242,877	4,906,798	4,033,352	9,105,067	43,597,014
10	10,439,520	4,980,368	6,809,557	3,816,895	3,572,333	7,240,202	36,858,875
11	9,751,391	4,029,357	5,805,668	4,197,887	3,281,910	6,351,065	33,417,278
12	6,543,242	3,055,641	4,525,189	2,686,109	2,028,102	4,860,619	23,698,902
13	5,469,721	2,531,973	3,259,688	2,316,076	2,058,777	4,781,353	20,417,589
14	5,404,970	2,353,015	2,598,161	1,347,423	1,750,258	3,494,620	16,948,447
15	4,847,460	2,172,369	2,171,638	1,434,452	2,266,239	3,087,150	15,979,307
16	3,941,366	1,715,197	2,025,356	1,696,864	1,278,519	2,759,168	13,416,470
17	3,909,581	1,532,237	1,736,380	1,409,918	963,684	3,233,308	12,785,108
18	2,481,107	1,445,250	1,953,277	1,302,886	789,737	2,470,051	10,442,308
19	2,115,871	606,420	1,770,462	866,265	980,637	2,321,691	8,461,346
20	1,828,862	1,169,319	1,371,260	1,078,498	582,407	1,962,553	7,970,899
21	1,789,512	921,510	1,175,311	546,992	769,487	1,603,462	6,806,274
22	1,535,258	603,361	2,691,245	506,015	824,278	1,478,510	7,638,667
23	1,930,011	840,334	782,719	327,379	1,341,964	2,501,580	7,723,967
24	1,582,718	729,423	582,651	417,121	352,516	1,234,706	4,899,134
25	1,511,512	583,675	1,059,372	320,910	539,198	1,472,837	5,487,505
26	1,719,845	296,676	1,442,571	258,653	1,311,343	2,209,177	7,238,265
27	2,008,575	443,905	343,069	578,554	320,314	904,841	4,599,258
28	2,204,727	484,619	565,927	496,890	386,308	1,335,044	5,473,314
29	984,892	534,009	214,099	360,194	374,000	1,055,285	3,522,490
30	1,430,819	363,614	254,251	306,028	700,169	731,118	3,785,999
31	808,968	486,160	304,358	405,866	298,412	848,305	3,152,069
32	954,004	485,722	464,555	251,288	74,593	872,828	3,102,970
33	633,070	240,873	237,968	454,669	279,516	611,909	2,458,005
34	843,946	225,386	191,067	406,454	181,989	847,599	2,676,442
35	349,648	412,314	138,117	146,763	219,959	436,793	1,703,594
36	422,620	161,903	270,571	187,843	96,601	319,218	1,458,755
37	783,751	158,611	112,649	210,543	259,614	727,075	2,252,243
38	238,645	243,592	293,801	257,695	497,819	428,117	1,959,669
39	365,020	125,606	283,596	88,629	178,726	735,331	1,776,909
40	392,949	204,085	101,202	290,494	444,243	295,467	1,728,441
41	749,595	61,290	58,080	85,592	160,709	331,647	1,446,913
42	81,102	489,194	263,281	111,240	104,082	485,714	1,534,612
43	104,047	42,446	370,372	73,494	196,223	621,558	1,408,139
44	177,995	233,051	113,247	6,988	68,173	241,811	841,286
45	74,769	34,853	107,702	38,424	160,203	209,304	625,256
46	93,412	127,209	27,267	977	56,548	121,494	426,907
47	24,781	226,720	48,221	241,600	108,916	140,523	790,781
48	246,666	94,833	57,243	13,548	49,685	291,083	753,059
49	216,258	4,683	497,555	35,898	50,983	611,032	1,416,408
50	112,333	78,699	52,324	86,760	64,316	644,609	1,037,042
51	92,012	67,389	0	86,333	21,616	196,699	464,048
52	243,985	358,000	53,455	16,883	15,138	114,575	802,046
53	279,717	61,034	175,575	22,469	2,757	92,758	634,310
54	60,974	19,086	75,968	10,587	42,840	102,376	311,831
55	90,304	17,317	0	27,685	0	72,857	208,164
56	66,893	53,263	37,324	0	75,306	238,497	471,282
57	69,164	13,315	49,780	25,214	0	100,480	257,953
58	322,173	212,574	0	15,553	0	148,573	696,872
59	115,999	72,188	0	1,535	85,490	5,199	280,411
60	85,567	57,355	0	0	0	69,660	212,581
61	27,764	0	0	28,953	14,499	155,242	226,458
62	62,950	0	0	18,693	25,727	71,234	178,603
63	14,993	0	0	43,801	0	148,810	205,603
64	9,543	36,061	55,340	16,132	15,212	51,098	183,386
65	1,623	0	7,061	6,722	68,745	0	84,152
66	0	0	1,717	0	19,214	29,200	50,131
67	73,833	23,228	48,592	0	0	103,411	249,065
68	18,026	20,846	0	0	0	0	38,872
69	0	0	0	17,393	0	51,411	68,804
70	1,821	0	30,509	0	0	0	32,330
Total	967,798,056	327,975,950	375,129,141	224,308,267	174,156,383	348,891,191	2,418,258,988

Source: By rate cell, Attachment C, p. 3 * Attachment C, p. 4

**Priority Mail
Proposed Rates**

Attachment D
page 4 of 5

Weight (Pounds)	Zone 1, 2 & 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
Flat Rate	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85
1	\$ 3.45	\$ 3.45	\$ 3.45	\$ 3.45	\$ 3.45	\$ 3.45
2	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85
3	\$ 5.10	\$ 5.10	\$ 5.10	\$ 5.10	\$ 5.10	\$ 5.10
4	\$ 6.35	\$ 6.35	\$ 6.35	\$ 6.35	\$ 6.35	\$ 6.35
5	\$ 7.60	\$ 7.60	\$ 7.60	\$ 7.60	\$ 7.60	\$ 7.60
6	\$ 7.85	\$ 8.00	\$ 8.15	\$ 8.55	\$ 8.85	\$ 9.45
7	\$ 8.05	\$ 8.40	\$ 8.70	\$ 9.50	\$ 10.10	\$ 11.30
8	\$ 8.15	\$ 8.80	\$ 9.25	\$ 10.45	\$ 11.35	\$ 13.15
9	\$ 8.30	\$ 9.20	\$ 9.80	\$ 11.40	\$ 12.60	\$ 15.00
10	\$ 8.40	\$ 9.70	\$ 10.45	\$ 12.40	\$ 13.75	\$ 16.85
11	\$ 8.65	\$ 10.35	\$ 11.35	\$ 13.40	\$ 14.80	\$ 18.15
12	\$ 8.90	\$ 11.00	\$ 12.15	\$ 14.40	\$ 15.90	\$ 19.60
13	\$ 9.15	\$ 11.65	\$ 13.00	\$ 15.45	\$ 17.05	\$ 21.00
14	\$ 9.40	\$ 12.30	\$ 13.80	\$ 16.45	\$ 18.15	\$ 22.45
15	\$ 9.65	\$ 12.95	\$ 14.65	\$ 17.45	\$ 19.25	\$ 23.85
16	\$ 9.90	\$ 13.65	\$ 15.40	\$ 18.45	\$ 20.40	\$ 25.30
17	\$ 10.15	\$ 14.30	\$ 16.25	\$ 19.45	\$ 21.50	\$ 26.75
18	\$ 10.55	\$ 14.95	\$ 17.05	\$ 20.45	\$ 22.65	\$ 28.15
19	\$ 10.95	\$ 15.60	\$ 17.90	\$ 21.45	\$ 23.75	\$ 29.65
20	\$ 11.40	\$ 16.35	\$ 18.70	\$ 22.45	\$ 24.90	\$ 31.00
21	\$ 11.80	\$ 17.05	\$ 19.45	\$ 23.50	\$ 26.00	\$ 32.40
22	\$ 12.25	\$ 17.75	\$ 20.30	\$ 24.50	\$ 27.15	\$ 33.70
23	\$ 12.65	\$ 18.45	\$ 21.10	\$ 25.45	\$ 28.25	\$ 35.05
24	\$ 13.05	\$ 19.15	\$ 21.95	\$ 26.45	\$ 29.35	\$ 36.35
25	\$ 13.50	\$ 19.85	\$ 22.75	\$ 27.50	\$ 30.55	\$ 37.80
26	\$ 13.90	\$ 20.50	\$ 23.55	\$ 28.50	\$ 31.85	\$ 39.10
27	\$ 14.30	\$ 21.25	\$ 24.35	\$ 29.50	\$ 32.80	\$ 40.45
28	\$ 14.70	\$ 21.95	\$ 25.20	\$ 30.45	\$ 33.90	\$ 41.75
29	\$ 15.15	\$ 22.60	\$ 26.00	\$ 31.45	\$ 35.05	\$ 43.05
30	\$ 15.55	\$ 23.30	\$ 26.85	\$ 32.50	\$ 36.15	\$ 44.40
31	\$ 15.95	\$ 24.05	\$ 27.60	\$ 33.50	\$ 37.30	\$ 45.70
32	\$ 16.40	\$ 24.70	\$ 28.45	\$ 34.50	\$ 38.40	\$ 47.10
33	\$ 16.80	\$ 25.40	\$ 29.25	\$ 35.50	\$ 39.55	\$ 48.40
34	\$ 17.20	\$ 26.05	\$ 30.10	\$ 36.45	\$ 40.85	\$ 49.70
35	\$ 17.65	\$ 26.80	\$ 30.90	\$ 37.50	\$ 41.75	\$ 51.05
36	\$ 18.05	\$ 27.50	\$ 31.70	\$ 38.50	\$ 42.90	\$ 52.35
37	\$ 18.45	\$ 28.20	\$ 32.50	\$ 39.50	\$ 44.00	\$ 53.70
38	\$ 18.85	\$ 28.90	\$ 33.35	\$ 40.55	\$ 45.15	\$ 55.05
39	\$ 19.30	\$ 29.60	\$ 34.15	\$ 41.55	\$ 46.25	\$ 56.40
40	\$ 19.70	\$ 30.30	\$ 35.00	\$ 42.50	\$ 47.40	\$ 57.70
41	\$ 20.10	\$ 30.95	\$ 35.75	\$ 43.50	\$ 48.50	\$ 59.00
42	\$ 20.55	\$ 31.70	\$ 36.60	\$ 44.50	\$ 49.65	\$ 60.35
43	\$ 20.95	\$ 32.40	\$ 37.40	\$ 45.55	\$ 50.75	\$ 61.70
44	\$ 21.35	\$ 33.05	\$ 38.25	\$ 46.55	\$ 51.90	\$ 63.10
45	\$ 21.80	\$ 33.75	\$ 39.05	\$ 47.50	\$ 53.00	\$ 64.40
46	\$ 22.20	\$ 34.50	\$ 39.80	\$ 48.50	\$ 54.10	\$ 65.75
47	\$ 22.60	\$ 35.15	\$ 40.65	\$ 49.55	\$ 55.30	\$ 67.05
48	\$ 23.00	\$ 35.85	\$ 41.45	\$ 50.55	\$ 56.40	\$ 68.35
49	\$ 23.45	\$ 36.60	\$ 42.30	\$ 51.55	\$ 57.55	\$ 69.70
50	\$ 23.85	\$ 37.25	\$ 43.10	\$ 52.55	\$ 58.65	\$ 71.00
51	\$ 24.25	\$ 37.95	\$ 43.90	\$ 53.50	\$ 59.70	\$ 72.40
52	\$ 24.70	\$ 38.65	\$ 44.70	\$ 54.55	\$ 60.85	\$ 73.70
53	\$ 25.10	\$ 39.35	\$ 45.55	\$ 55.55	\$ 61.90	\$ 75.00
54	\$ 25.50	\$ 40.05	\$ 46.35	\$ 56.55	\$ 63.00	\$ 76.35
55	\$ 25.95	\$ 40.75	\$ 47.20	\$ 57.55	\$ 64.00	\$ 77.65
56	\$ 26.35	\$ 41.40	\$ 47.95	\$ 58.60	\$ 65.10	\$ 79.00
57	\$ 26.75	\$ 42.15	\$ 48.80	\$ 59.55	\$ 66.20	\$ 80.35
58	\$ 27.15	\$ 42.85	\$ 49.60	\$ 60.55	\$ 67.25	\$ 81.70
59	\$ 27.60	\$ 43.50	\$ 50.45	\$ 61.55	\$ 68.40	\$ 83.00
60	\$ 28.00	\$ 44.20	\$ 51.25	\$ 62.60	\$ 69.45	\$ 84.30
61	\$ 28.40	\$ 44.95	\$ 52.05	\$ 63.60	\$ 70.55	\$ 85.70
62	\$ 28.85	\$ 45.60	\$ 52.85	\$ 64.55	\$ 71.60	\$ 87.00
63	\$ 29.25	\$ 46.30	\$ 53.70	\$ 65.55	\$ 72.70	\$ 88.40
64	\$ 29.65	\$ 47.05	\$ 54.50	\$ 66.60	\$ 73.80	\$ 89.70
65	\$ 30.10	\$ 47.70	\$ 55.30	\$ 67.60	\$ 74.85	\$ 91.05
66	\$ 30.50	\$ 48.40	\$ 56.10	\$ 68.60	\$ 76.00	\$ 92.35
67	\$ 30.90	\$ 49.10	\$ 56.95	\$ 69.60	\$ 77.05	\$ 93.65
68	\$ 31.35	\$ 49.80	\$ 57.75	\$ 70.55	\$ 78.10	\$ 95.00
69	\$ 31.75	\$ 50.50	\$ 58.60	\$ 71.60	\$ 79.25	\$ 96.30
70	\$ 32.15	\$ 51.20	\$ 59.35	\$ 72.60	\$ 80.30	\$ 97.70

Source: Attachment H, p. 8

Pickup Fee \$ 10.25

Priority Mail
Test Year After Rates Calculated Revenue

Attachment D
page 5 of 5

Weight (Pounds)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate	\$55,365,386	\$17,953,475	\$18,667,844	\$11,970,063	\$7,349,451	\$16,314,844	\$127,621,064		
1	\$795,767,331	\$200,430,142	\$213,811,094	\$123,327,270	\$86,641,865	\$171,257,457	1,591,235,160		
2	\$810,670,555	\$239,305,089	\$261,188,526	\$138,899,848	\$101,432,166	\$199,558,330	1,751,054,514		
3	\$299,960,581	\$106,600,304	\$122,655,424	\$72,876,614	\$53,681,149	\$97,670,099	753,444,171		
4	\$149,726,119	\$58,107,097	\$66,878,421	\$41,817,098	\$30,481,655	\$58,448,542	405,458,932		
5	\$85,749,856	\$31,893,090	\$41,574,765	\$23,405,715	\$18,515,632	\$36,645,437	237,584,495		
6	\$45,855,389	\$19,081,009	\$21,699,772	\$15,396,815	\$13,568,677	\$24,953,904	140,556,565		
7	\$25,392,276	\$11,872,714	\$13,196,925	\$11,975,427	\$9,012,454	\$22,161,560	93,611,356		
8	\$18,080,357	\$8,825,793	\$9,221,151	\$8,125,653	\$6,680,550	\$17,928,780	68,862,286		
9	\$11,410,873	\$6,067,589	\$7,886,688	\$6,215,277	\$5,646,693	\$15,175,112	52,402,231		
10	\$8,769,197	\$4,830,957	\$7,115,987	\$4,732,950	\$4,911,958	\$12,199,741	42,560,789		
11	\$7,668,139	\$3,791,259	\$5,990,394	\$5,113,789	\$4,415,661	\$10,479,257	37,458,499		
12	\$4,852,905	\$2,801,004	\$4,581,754	\$3,223,331	\$2,687,235	\$7,939,011	26,085,240		
13	\$3,849,842	\$2,269,037	\$3,259,888	\$2,752,567	\$2,700,165	\$7,723,725	22,555,025		
14	\$3,629,051	\$2,067,292	\$2,561,045	\$1,583,222	\$2,269,084	\$5,603,872	17,713,567		
15	\$3,118,533	\$1,875,479	\$2,120,866	\$1,668,746	\$2,908,340	\$4,908,568	16,600,631		
16	\$2,438,720	\$1,463,278	\$1,949,405	\$1,956,696	\$1,630,112	\$4,362,934	13,801,145		
17	\$2,334,250	\$1,286,881	\$1,659,775	\$1,613,112	\$1,218,777	\$5,087,705	13,202,500		
18	\$1,454,204	\$1,200,360	\$1,850,187	\$1,480,224	\$993,752	\$3,862,886	10,841,614		
19	\$1,219,410	\$487,903	\$1,667,961	\$752,178	\$1,225,796	\$3,623,059	8,986,308		
20	\$1,041,311	\$955,918	\$1,282,128	\$1,210,614	\$700,197	\$3,041,957	8,232,125		
21	\$1,005,535	\$748,178	\$1,088,562	\$812,110	\$952,898	\$2,473,913	6,880,996		
22	\$854,860	\$486,803	\$2,483,285	\$563,517	\$1,017,234	\$2,264,808	7,670,506		
23	\$1,061,506	\$674,094	\$718,059	\$362,252	\$1,648,282	\$3,812,161	8,276,354		
24	\$860,603	\$582,019	\$532,883	\$459,702	\$431,097	\$1,870,063	4,736,367		
25	\$816,217	\$463,438	\$964,029	\$353,001	\$658,900	\$2,226,930	5,482,515		
26	\$919,456	\$233,918	\$1,306,637	\$283,523	\$1,596,308	\$3,322,262	7,682,103		
27	\$1,063,801	\$349,369	\$309,398	\$632,124	\$389,122	\$1,355,585	4,099,400		
28	\$1,157,482	\$379,906	\$508,334	\$540,150	\$467,708	\$1,990,646	5,045,227		
29	\$514,521	\$416,159	\$191,951	\$390,624	\$452,024	\$1,566,568	3,531,847		
30	\$741,641	\$282,407	\$227,554	\$331,530	\$843,704	\$1,082,054	3,508,891		
31	\$416,227	\$377,166	\$270,976	\$438,597	\$359,057	\$1,250,566	3,112,590		
32	\$486,927	\$374,917	\$413,018	\$270,898	\$89,512	\$1,284,694	2,921,966		
33	\$322,290	\$185,399	\$210,926	\$489,114	\$334,995	\$897,487	2,440,192		
34	\$426,938	\$172,685	\$169,151	\$435,743	\$193,672	\$1,238,990	2,637,179		
35	\$176,322	\$315,714	\$121,938	\$157,247	\$262,380	\$637,093	1,670,694		
36	\$211,897	\$123,676	\$238,253	\$200,887	\$115,116	\$464,196	1,354,025		
37	\$390,816	\$120,887	\$98,948	\$224,769	\$308,730	\$1,055,242	2,199,392		
38	\$118,380	\$185,258	\$257,849	\$274,987	\$591,488	\$620,206	2,048,169		
39	\$180,638	\$95,332	\$248,329	\$94,424	\$211,950	\$1,063,402	1,894,075		
40	\$193,527	\$154,594	\$88,552	\$308,650	\$526,428	\$426,211	1,897,963		
41	\$367,485	\$46,266	\$50,643	\$90,811	\$190,106	\$477,248	1,222,559		
42	\$39,682	\$369,225	\$229,431	\$117,862	\$123,040	\$697,924	1,577,163		
43	\$50,893	\$31,982	\$322,137	\$77,853	\$231,588	\$891,864	1,806,117		
44	\$86,368	\$175,053	\$98,447	\$7,393	\$80,414	\$346,779	794,454		
45	\$36,221	\$26,140	\$93,462	\$40,559	\$188,684	\$299,537	684,603		
46	\$45,081	\$95,407	\$23,592	\$1,030	\$66,505	\$173,657	405,272		
47	\$11,916	\$169,557	\$41,708	\$254,708	\$128,150	\$200,469	806,507		
48	\$118,194	\$70,828	\$49,432	\$14,268	\$58,380	\$414,490	725,592		
49	\$103,495	\$3,498	\$429,522	\$37,786	\$59,879	\$869,162	1,503,322		
50	\$53,583	\$57,141	\$45,103	\$91,185	\$75,443	\$915,345	1,237,800		
51	\$43,751	\$50,145	\$0	\$90,565	\$25,304	\$279,235	488,999		
52	\$115,897	\$266,090	\$45,951	\$17,711	\$17,715	\$162,388	625,752		
53	\$132,470	\$45,315	\$150,895	\$23,550	\$3,220	\$131,261	496,711		
54	\$28,793	\$14,156	\$65,206	\$11,086	\$49,980	\$144,749	313,970		
55	\$42,807	\$12,830	\$0	\$28,969	\$0	\$102,861	187,267		
56	\$31,475	\$39,376	\$31,959	\$0	\$87,543	\$336,451	526,804		
57	\$32,458	\$9,846	\$42,619	\$26,342	\$0	\$141,642	252,907		
58	\$150,810	\$157,048	\$0	\$16,236	\$0	\$206,466	530,560		
59	\$54,264	\$53,224	\$0	\$1,601	\$99,110	\$7,314	215,513		
60	\$39,931	\$42,251	\$0	\$0	\$0	\$97,872	180,055		
61	\$12,926	\$0	\$0	\$30,187	\$16,769	\$218,102	277,984		
62	\$29,292	\$0	\$0	\$19,461	\$29,710	\$99,958	178,421		
63	\$6,961	\$0	\$0	\$45,573	\$0	\$206,000	258,534		
64	\$4,421	\$26,510	\$47,125	\$16,788	\$17,541	\$71,618	184,003		
65	\$752	\$0	\$6,008	\$6,991	\$79,163	\$0	92,913		
66	\$0	\$0	\$1,459	\$0	\$22,125	\$40,858	64,443		
67	\$34,051	\$17,023	\$41,304	\$0	\$0	\$144,544	236,922		
68	\$8,311	\$15,267	\$0	\$0	\$0	\$0	23,577		
69	\$0	\$0	\$0	\$18,048	\$0	\$71,752	89,800		
70	\$836	\$0	\$25,867	\$0	\$0	\$0	26,704		
Total	\$2,351,958,595	\$731,493,769	\$823,111,399	\$488,607,604	\$371,773,145	\$767,599,385	\$5,534,543,897		

Source: By rate cell, Attachment C, p. 3 * Attachment C, p. 6

Adjustment Factor 100.0713311%
Priority Mail Postage Revenue \$5,538,491,750
Pickup Fee Revenue \$2,971,975

**Priority Mail
Emery Adjustment**

Attachment E

(a)	LR-I-12, Chap. VI, Sec. a, Part c, Acct 52316	Test Year Before Rates Emery Contract Costs	\$	498,036	(000)
(b)	LR-I-12, Chap. VI, Sec. a, Part c, Acct 52316	Base Year Emery Contract Costs	\$	289,030	(000)
(c)	= (a) - (b)	Increase in Emery Contract Costs	\$	209,006	(000)
(d)	USPS-T11, Workpaper B	Base Year Mail Processing Direct Labor Costs	\$	648,963	(000)
(e)	USPS-T11, Workpaper B	Base Year Air Transportation Costs	\$	425,354	(000)
(f)	USPS-T11, Workpaper B	Base Year Surface Transportation Costs	\$	217,748	(000)
(g)	= (d) + (e) + (f)	Total	\$	1,292,065	(000)
(h)	= (d) / (g)	Share Base Year Mail Processing Costs		50.2%	
(i)	= (e) / (g)	Share Base Year Air Transportation Costs		32.9%	
(j)	= (f) / (g)	Share Base Year Surface Transportation Costs		16.9%	
(k)	= (c) * [(h) - 1]	Emery Adjustment - Per Piece Element	\$	(104,029)	(000)
(l)	= (c) * (i)	Emery Adjustment - Air Transportation Costs	\$	68,806	(000)
(m)	= (c) * (j)	Emery Adjustment - Surface Transportation Costs	\$	35,223	(000)

Priority Mail
Test Year Before Rates
Non Transportation Cost Per Piece Development

Attachment F

	<u>Nontransportation Costs</u>		
(a) USPS-T14, Workpaper H, Table E	Total Costs	\$	3,183,801 (000)
USPS-T14, Workpaper H, Table D		\$	796,713
(b) + Attachment K, B(c)	Total Transportation Costs		(000)
(c) = (a) - (b)	Total Nontransportation Costs	\$	2,387,088 (000)
	<u>Weight Related Nontransportation Costs</u>		
(d) R97-1, PRC Lib Ref-12, p. 2	Nontransportation Cost per Pound	\$	0.020000
(e) Attachment B, p. 5	Postage Pounds		2,625,234 (000)
(f) = (d) * (e)	Total Weight Related Nontransportation Costs	\$	52,505 (000)
	<u>Net Nontransportation Cost</u>		
(g) = (c) - (f)	Net Nontransportation Costs	\$	2,334,584 (000)
(h) Attachment E (k)	Emery Adjustment	\$	(104,029) (000)
(i) = (g) + (h)	Adjusted Nontransportation Costs	\$	2,230,555 (000)
(j) USPS-T9	Contingency		2.5%
(k) = (i) * [1 + (j)]	Nontransportation Costs Including Contingency	\$	2,286,319 (000)
(l)	Priority Mail Target Cost Coverage		184.0%
(m) = (k) * (l)	Net Nontransportation Costs including markup and contingency	\$	4,206,827 (000)
(n) Attachment J, p. 2, B(c)	Test Year Before Rates Priority Mail Volume		1,356,715 (000)
(o) = (k) / (n)	Net Nontransportation Cost per Piece including Contingency	\$	1.685188
(p) = (m) / (o)	Net Nontransportation per Piece Rate Element	\$	<u>3.100746</u>

Priority Mail
Allocation of Transportation Costs to Zones
Test Year Before Rates

Attachment G
page 1 of 3

(A) Calculation of Distance Related and Non Distance Related Costs

	Transportation Costs (000)	Emergency Adjustment (000)	Total Transportation Costs (000)	Distance Related Percentage	Distance Related Costs (000)	Non Distance Related Costs (000)
	(a)	(b)	(c) = (a) + (b)	(d)	(e) = (c) * (d)	(f) = (c) - (e)
Air Transportation	502,999	68,806	571,805	46.80%	267,629	304,175
Surface Transportation	293,713	35,223	328,936	56.70%	186,492	142,445
Total	796,713	104,029	900,741		454,121	446,620

Sources: (a) USPS-T14, Workpaper H, Table D + Attachment K, B (c)
(b) Attachment E
(d) LR-I-60, pp, 9-10

(B) Air Transportation Costs

Zone	Eagle Air		Passenger Air	
	Pounds (000)	Average Haul	Pounds (000)	Average Haul
	(a)	(b)	(c)	(d)
1	0	45	352	45
2	50	85	3,579	100
3	4,495	229	24,222	239
Total L123	4,545		28,153	
4	19,702	470	146,416	474
5	39,899	805	265,805	790
6	25,167	1190	161,055	1175
7	14,168	1576	145,821	1594
8	34,870	2313	309,791	2504
Total	138,352		1,057,040	

Zone	Total Air Pounds (000)	Total Non-Distance Air Costs (000)	Total Passenger Pound Miles (000)	Total Distance Related Air Costs (000)	Total Air Costs (000)
	(e) = (a) + (c)	(f)	(g) = (c) * (d)	(h)	(i) = (f) + (h)
1	352		15,798		
2	3,629		358,675		
3	28,717		5,795,564		
Total L123	32,698	8,320	6,170,037	1,113	9,434
4	166,118	42,270	69,343,925	12,514	54,784
5	305,704	77,788	210,022,876	37,902	115,690
6	186,222	47,385	189,202,263	34,144	81,530
7	159,990	40,710	232,404,284	41,941	82,651
8	344,660	87,701	775,858,387	140,015	227,716
Total	1,195,391	304,175	1,483,001,773	267,629	571,805

Sources:

- (a) PFY 1998 Eagle Pounds (LR-I54) * TYBR Volume (Attachment B, p.3) / Base Year Volume (Attachment A, p. 7)
- (b) PFY 1998 Eagle Average Haul (LR-I-54)
- (c) PFY 1998 Passenger Air Pounds (LR-I-54) * TYBR Volume (Attachment B, p. 3) / Base Year Volume (Attachment A, p. 7)
- (d) PFY 1998 Passenger Air Average Haul (LR-I-54)
- (f) Total non-distance air costs (Attachment G, p. 1, A(f)) distributed on column (e).
- (h) Total distance-related air costs (Attachment G, p. 1, A(e)) distributed on column (g).

**Priority Mail
Allocation of Transportation Costs to Zones
Test Year Before Rates**

Attachment G
page 2 of 3

(C) Surface Transportation Costs

Nondistance Related Surface Transportation Costs

Zone	Total Postage Pounds (000) (a)	Non Distance Related Surface Costs (000) (b)
L, 1,2,3	1,047,369	56,830
4	356,771	19,358
5	407,822	22,128
6	244,308	13,256
4	189,217	10,267
8	379,747	20,605
Total	2,625,234	142,445

Distance Related Surface Transportation Costs

Zone	Total Postage Pounds (000) (c)=(a)	Local Postage Pounds (000) (d)	Non-Local Postage Pounds (000) (e) = (c) - (d)	Air Postage Pounds (000) (f)	Surface Postage Pounds (000) (g) = (e) - (f)	Average Surface Haul (h)	Total Surface Pound Miles (000) (i) = (g) * (h)	Distance Related Surface Costs (000) (j)
L, 1,2,3	1,047,369	129,375	917,994	32,698	885,297	250	221,324,159	143,290
4	356,771		356,771	166,118	190,653	350	66,728,619	43,202
Total	1,404,141		1,274,766	198,816	1,075,950		288,052,778	186,492

Sources

- (a) Attachment B, p. 5
- (b) Surface non-distance related costs (Attachment G, p. 1, A(f) distributed on column (a))
- (d) Total Zone L,1,2,3 Postage Pounds* Local Share (R97-1, PRC Lib Ref - 12, p. 2)
Local Share = 59,543,062 (local postage pounds) / 482,037,098 (total L,1,2,3 postage pounds) from R90-1
- (f) Attachment G, p. 1, B(e)
- (h) R97-1, PRC Lib Ref - 12, p. 3
- (j) Surface distance related costs (Attachment G, p. 1, A(e)) distributed on column (i)

Priority Mail
Allocation of Transportation Costs to Zones
Test Year Before Rates

Attachment G
page 3 of 3

(D) Total Transportation Costs

Zone	Total Non-Distance Air Costs (000)	Total Distance Air Costs (000)	Total Non-Distance Surface Costs (000)	Total Distance Surface Costs (000)	Total Transportation Costs (000)
	(a)	(b)	(c)	(d)	(e)=(a)+(b)+(c)+(d)
L, 1,2,3	8,320	1,113	56,830	143,290	209,554
4	42,270	12,514	19,358	43,202	117,344
5	77,788	37,902	22,128		137,818
6	47,385	34,144	13,256		94,786
4	40,710	41,941	10,267		92,918
8	87,701	140,015	20,605		248,321
Total	304,175	267,629	142,445	186,492	900,741

Zone	Total Transportation Costs (000)	Total Postage Pounds (000)	Transportation Cost per Pound	Nontransportation Cost per Pound	Total Cost per Pound
	(f) = (e)	(g)	(h) = (f) / (g)	(i)	(j) = (h) + (i)
L, 1,2,3	209,554	1,047,369	\$ 0.200076	\$ 0.020000	\$ 0.220076
4	117,344	356,771	\$ 0.328905	\$ 0.020000	\$ 0.348905
5	137,818	407,822	\$ 0.337938	\$ 0.020000	\$ 0.357938
6	94,786	244,308	\$ 0.387977	\$ 0.020000	\$ 0.407977
4	92,918	189,217	\$ 0.491067	\$ 0.020000	\$ 0.511067
8	248,321	379,747	\$ 0.653912	\$ 0.020000	\$ 0.673912
Total	900,741	2,625,234			

Zone	Total Cost per Pound	Contingency	Total Cost per Pound (Incl. Contingency)	Target Cost Coverage	Per Pound Rate Element
	(k) = (j)	(l)	(m) = (k) * [1+(l)]	(n)	(o) = (m) * (n)
L, 1,2,3	\$ 0.220076	2.5%	\$ 0.225578	184.0%	\$ 0.415064
4	\$ 0.348905	2.5%	\$ 0.357628	184.0%	\$ 0.658035
5	\$ 0.357938	2.5%	\$ 0.366886	184.0%	\$ 0.675071
6	\$ 0.407977	2.5%	\$ 0.418176	184.0%	\$ 0.769444
4	\$ 0.511067	2.5%	\$ 0.523844	184.0%	\$ 0.963873
8	\$ 0.673912	2.5%	\$ 0.690760	184.0%	\$ 1.270998

Sources

- (a) Attachment G, p. 1, B(f)
- (b) Attachment G, p. 1, B(h)
- (c) Attachment G, p. 2, C(b)
- (d) Attachment G, p. 2, C(j)
- (g) Attachment B, p. 5
- (i) R97-1, PRC Lib Ref-12, p. 2
- (l) USPS-T9

**Priority Mail
Allocated Unit Costs including contingency**

Attachment H
page 1 of 9

Cost per Piece	\$ 1.685188					
Cost per Pound	\$ 0.225578	\$ 0.357628	\$ 0.386888	\$ 0.418178	\$ 0.523844	\$ 0.690760
Weight (Pounds)	<u>L1,2&3</u>	<u>Zone 4</u>	<u>Zone 5</u>	<u>Zone 6</u>	<u>Zone 7</u>	<u>Zone 8</u>
Fiat Rate	\$ 2.0079	\$ 2.1968	\$ 2.2100	\$ 2.2834	\$ 2.4345	\$ 2.6733
1	1.8299	1.9147	1.9206	1.9535	2.0213	2.1284
2	2.0088	2.1982	2.2115	2.2851	2.4366	2.6761
3	2.3619	2.7581	2.7858	2.9397	3.2567	3.7575
4	2.5875	3.1157	3.1527	3.3579	3.7806	4.4482
5	2.8131	3.4733	3.5196	3.7761	4.3044	5.1390
6	3.0387	3.8310	3.8865	4.1942	4.8283	5.8297
7	3.2642	4.1886	4.2534	4.6124	5.3521	6.5205
8	3.4898	4.5462	4.6203	5.0306	5.8759	7.2113
9	3.7154	4.9038	4.9872	5.4488	6.3998	7.9020
10	3.9410	5.2615	5.3541	5.8669	6.9236	8.5928
11	4.1665	5.6191	5.7209	6.2851	7.4475	9.2835
12	4.3921	5.9767	6.0878	6.7033	7.9713	9.9743
13	4.6177	6.3344	6.4547	7.1215	8.4952	10.6651
14	4.8433	6.6920	6.8216	7.5397	9.0190	11.3558
15	5.0689	7.0496	7.1885	7.9578	9.5428	12.0466
16	5.2944	7.4072	7.5554	8.3760	10.0667	12.7373
17	5.5200	7.7649	7.9223	8.7942	10.5905	13.4281
18	5.7456	8.1225	8.2891	9.2124	11.1144	14.1189
19	5.9712	8.4801	8.6560	9.6305	11.6382	14.8096
20	6.1968	8.8377	9.0229	10.0487	12.1621	15.5004
21	6.4223	9.1954	9.3898	10.4669	12.6859	16.1911
22	6.6479	9.5530	9.7567	10.8851	13.2098	16.8819
23	6.8735	9.9106	10.1236	11.3032	13.7336	17.5727
24	7.0991	10.2683	10.4905	11.7214	14.2574	18.2634
25	7.3246	10.6259	10.8573	12.1396	14.7813	18.9542
26	7.5502	10.9835	11.2242	12.5578	15.3051	19.6449
27	7.7758	11.3411	11.5911	12.9759	15.8290	20.3357
28	8.0014	11.6988	11.9580	13.3941	16.3528	21.0265
29	8.2270	12.0564	12.3249	13.8123	16.8767	21.7172
30	8.4525	12.4140	12.6918	14.2305	17.4005	22.4080
31	8.6781	12.7717	13.0587	14.6486	17.9244	23.0987
32	8.9037	13.1293	13.4255	15.0668	18.4482	23.7895
33	9.1293	13.4869	13.7924	15.4850	18.9720	24.4803
34	9.3549	13.8445	14.1593	15.9032	19.4959	25.1710
35	9.5804	14.2022	14.5262	16.3214	20.0197	25.8618
36	9.8060	14.5598	14.8931	16.7395	20.5436	26.5525
37	10.0316	14.9174	15.2600	17.1577	21.0674	27.2433
38	10.2572	15.2750	15.6289	17.5759	21.5913	27.9341
39	10.4827	15.6327	15.9938	17.9941	22.1151	28.6248
40	10.7083	15.9903	16.3606	18.4122	22.6389	29.3156
41	10.9339	16.3479	16.7275	18.8304	23.1628	30.0064
42	11.1595	16.7056	17.0944	19.2486	23.6866	30.6971
43	11.3851	17.0632	17.4613	19.6668	24.2105	31.3879
44	11.6106	17.4208	17.8282	20.0849	24.7343	32.0786
45	11.8362	17.7784	18.1951	20.5031	25.2582	32.7694
46	12.0618	18.1361	18.5620	20.9213	25.7820	33.4602
47	12.2874	18.4937	18.9288	21.3395	26.3059	34.1509
48	12.5129	18.8513	19.2957	21.7576	26.8297	34.8417
49	12.7385	19.2090	19.6626	22.1758	27.3535	35.5324
50	12.9641	19.5666	20.0295	22.5940	27.8774	36.2232
51	13.1897	19.9242	20.3964	23.0122	28.4012	36.9140
52	13.4153	20.2818	20.7633	23.4303	28.9251	37.6047
53	13.6408	20.6395	21.1302	23.8485	29.4489	38.2955
54	13.8664	20.9971	21.4970	24.2667	29.9728	38.9862
55	14.0920	21.3547	21.8639	24.6849	30.4966	39.6770
56	14.3176	21.7123	22.2308	25.1030	31.0205	40.3678
57	14.5432	22.0700	22.5977	25.5212	31.5443	41.0585
58	14.7687	22.4276	22.9646	25.9394	32.0681	41.7493
59	14.9943	22.7852	23.3315	26.3576	32.5920	42.4400
60	15.2199	23.1429	23.6984	26.7758	33.1158	43.1308
61	15.4455	23.5005	24.0652	27.1939	33.6397	43.8216
62	15.6710	23.8581	24.4321	27.6121	34.1635	44.5123
63	15.8966	24.2157	24.7990	28.0303	34.6874	45.2031
64	16.1222	24.5734	25.1659	28.4485	35.2112	45.8938
65	16.3478	24.9310	25.5328	28.8668	35.7351	46.5846
66	16.5734	25.2886	25.8997	29.2848	36.2589	47.2754
67	16.7989	25.6463	26.2666	29.7030	36.7827	47.9661
68	17.0245	26.0039	26.6335	30.1212	37.3066	48.6569
69	17.2501	26.3615	27.0003	30.5393	37.8304	49.3476
70	17.4757	26.7191	27.3672	30.9575	38.3543	50.0384

Sources By rate cell, Cost per piece + cost per pound * postage weight (Attachment C, p. 3)
 Cost per piece: Attachment F, (o)
 Cost per pound: Attachment G, p. 3, (m)

**Priority Mail
Preliminary Rates**

Attachment H
page 2 of 9

Per Piece Element \$ 3.100746

Per Pound Element \$ 0.415064 \$ 0.658035 \$ 0.675071 \$ 0.769444 \$ 0.963873 \$ 1.270998

Weight (Pounds)	L1,2&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
Fiat Rate	3.69	4.04	4.07	4.20	4.48	4.92
1	3.37	3.52	3.53	3.59	3.72	3.92
2	3.70	4.04	4.07	4.20	4.48	4.92
3	4.35	5.07	5.13	5.41	5.99	6.91
4	4.76	5.73	5.80	6.18	6.96	8.18
5	5.18	6.39	6.48	6.95	7.92	9.46
6	5.59	7.05	7.15	7.72	8.88	10.73
7	6.01	7.71	7.83	8.49	9.85	12.00
8	6.42	8.37	8.50	9.26	10.81	13.27
9	6.84	9.02	9.18	10.03	11.78	14.54
10	7.25	9.68	9.85	10.80	12.74	15.81
11	7.67	10.34	10.53	11.56	13.70	17.08
12	8.08	11.00	11.20	12.33	14.67	18.35
13	8.50	11.66	11.88	13.10	15.63	19.62
14	8.91	12.31	12.55	13.87	16.59	20.89
15	9.33	12.97	13.23	14.64	17.56	22.17
16	9.74	13.63	13.90	15.41	18.52	23.44
17	10.16	14.29	14.58	16.18	19.49	24.71
18	10.57	14.95	15.25	16.95	20.45	25.98
19	10.99	15.60	15.93	17.72	21.41	27.25
20	11.40	16.26	16.60	18.49	22.38	28.52
21	11.82	16.92	17.28	19.26	23.34	29.79
22	12.23	17.58	17.95	20.03	24.31	31.06
23	12.65	18.24	18.63	20.80	25.27	32.33
24	13.06	18.89	19.30	21.57	26.23	33.60
25	13.48	19.55	19.98	22.34	27.20	34.88
26	13.89	20.21	20.65	23.11	28.16	36.15
27	14.31	20.87	21.33	23.88	29.13	37.42
28	14.72	21.53	22.00	24.65	30.09	38.69
29	15.14	22.18	22.68	25.41	31.05	39.96
30	15.55	22.84	23.35	26.18	32.02	41.23
31	15.97	23.50	24.03	26.95	32.98	42.50
32	16.38	24.16	24.70	27.72	33.94	43.77
33	16.80	24.82	25.38	28.49	34.91	45.04
34	17.21	25.47	26.05	29.26	35.87	46.31
35	17.63	26.13	26.73	30.03	36.84	47.59
36	18.04	26.79	27.40	30.80	37.80	48.86
37	18.46	27.45	28.08	31.57	38.76	50.13
38	18.87	28.11	28.75	32.34	39.73	51.40
39	19.29	28.76	29.43	33.11	40.69	52.67
40	19.70	29.42	30.10	33.88	41.66	53.94
41	20.12	30.08	30.78	34.65	42.62	55.21
42	20.53	30.74	31.45	35.42	43.58	56.48
43	20.95	31.40	32.13	36.19	44.55	57.75
44	21.36	32.05	32.80	36.96	45.51	59.02
45	21.78	32.71	33.48	37.73	46.48	60.30
46	22.19	33.37	34.15	38.50	47.44	61.57
47	22.61	34.03	34.83	39.26	48.40	62.84
48	23.02	34.69	35.50	40.03	49.37	64.11
49	23.44	35.34	36.18	40.80	50.33	65.38
50	23.85	36.00	36.85	41.57	51.29	66.65
51	24.27	36.66	37.53	42.34	52.26	67.92
52	24.68	37.32	38.20	43.11	53.22	69.19
53	25.10	37.98	38.88	43.88	54.19	70.46
54	25.51	38.63	39.55	44.65	55.15	71.73
55	25.93	39.29	40.23	45.42	56.11	73.01
56	26.34	39.95	40.90	46.19	57.08	74.28
57	26.76	40.61	41.58	46.96	58.04	75.55
58	27.17	41.27	42.25	47.73	59.01	76.82
59	27.59	41.92	42.93	48.50	59.97	78.09
60	28.00	42.58	43.60	49.27	60.93	79.36
61	28.42	43.24	44.28	50.04	61.90	80.63
62	28.83	43.90	44.96	50.81	62.86	81.90
63	29.25	44.56	45.63	51.58	63.82	83.17
64	29.66	45.22	46.31	52.35	64.79	84.44
65	30.08	45.87	46.98	53.11	65.75	85.72
66	30.49	46.53	47.66	53.88	66.72	86.99
67	30.91	47.19	48.33	54.65	67.68	88.26
68	31.33	47.85	49.01	55.42	68.64	89.53
69	31.74	48.51	49.68	56.19	69.61	90.80
70	32.16	49.16	50.36	56.96	70.57	92.07

Sources

By rate cell, Rate element per piece + rate element per pound * postage weight (Attachment C, p. 3)

Rate element (per piece): Attachment F, (p)

Rate element (per pound): Attachment G, p. 3, (o)

**Priority Mail
Preliminary Volumes**

Attachment H
page 3 of 9

Weight (Pounds)	L1,2&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate	14,380,620	4,663,240	4,848,791	3,109,107	1,908,948	4,237,622	33,148,328
1	230,657,197	58,095,693	61,974,230	35,747,035	25,113,584	49,639,843	461,227,583
2	210,563,781	62,157,166	67,841,176	36,077,883	26,346,017	51,833,333	454,819,354
3	58,815,800	20,902,020	24,050,083	14,289,532	10,525,716	19,151,000	147,734,151
4	23,578,916	9,150,724	10,532,035	6,585,370	4,800,281	9,204,495	63,851,800
5	11,282,876	4,170,143	5,470,364	3,079,699	2,436,267	4,821,768	31,261,118
6	5,841,451	2,385,126	2,662,549	1,800,797	1,533,297	2,640,625	16,863,844
7	3,154,320	1,413,418	1,516,888	1,260,571	892,322	1,961,200	10,198,720
8	2,218,449	1,002,931	996,881	777,574	588,595	1,363,405	6,947,836
9	1,374,804	659,521	804,764	545,200	448,150	1,011,674	4,844,113
10	1,043,952	498,037	680,956	381,690	357,233	724,020	3,685,887
11	886,490	366,305	527,788	381,626	298,355	577,370	3,037,934
12	545,270	254,637	377,099	223,842	169,008	405,052	1,974,909
13	420,748	194,767	250,745	178,160	158,367	367,796	1,570,584
14	386,069	168,073	185,583	96,245	125,018	249,616	1,210,603
15	323,164	144,825	144,776	95,630	151,083	205,810	1,065,287
16	246,335	107,200	126,585	106,054	79,907	172,448	838,529
17	229,975	90,132	102,140	82,936	56,687	190,195	752,065
18	137,839	80,292	108,515	72,383	43,874	137,225	580,128
19	111,362	31,917	93,182	35,067	51,612	122,194	445,334
20	91,343	58,466	68,563	53,925	28,120	98,128	398,545
21	85,215	43,881	55,967	26,047	36,842	76,355	324,108
22	69,784	27,426	122,329	23,001	37,467	67,205	347,212
23	83,914	36,536	34,031	14,234	58,346	108,763	335,825
24	65,947	30,393	24,277	17,380	14,688	51,446	204,131
25	60,460	23,347	42,375	12,836	21,568	58,913	219,500
26	66,148	11,411	55,484	9,948	50,436	84,968	278,395
27	74,392	16,441	12,706	21,428	11,863	33,513	170,343
28	78,740	17,308	20,212	17,739	13,797	47,680	195,476
29	33,962	18,414	7,383	12,420	12,897	36,389	121,465
30	47,694	12,120	8,475	10,201	23,339	24,371	126,200
31	26,096	15,683	9,818	13,092	9,626	27,365	101,680
32	29,813	15,179	14,517	7,852	2,331	27,276	96,968
33	19,164	7,299	7,211	13,778	8,470	18,543	74,485
34	24,822	6,629	5,620	11,955	4,764	24,829	78,719
35	9,990	11,780	3,946	4,193	6,285	12,480	48,674
36	11,739	4,497	7,516	5,218	2,683	8,867	40,521
37	21,182	4,287	3,045	5,890	7,017	19,651	60,871
38	6,280	6,410	7,732	6,781	13,101	11,266	51,570
39	9,359	3,221	7,272	2,273	4,583	18,855	45,562
40	9,824	5,102	2,530	7,262	11,106	7,387	43,211
41	18,283	1,495	1,417	2,088	3,920	8,089	35,291
42	1,931	11,647	6,269	2,649	2,478	11,565	36,538
43	2,420	987	8,613	1,709	4,563	14,455	32,747
44	4,045	5,297	2,574	159	1,549	5,496	19,120
45	1,662	775	2,393	854	3,560	4,661	13,896
46	2,031	2,765	593	21	1,229	2,641	9,281
47	527	4,824	1,026	5,140	2,317	2,990	16,825
48	5,139	1,976	1,193	282	1,035	6,064	15,689
49	4,413	96	10,154	733	1,040	12,470	28,906
50	2,247	1,534	1,046	1,735	1,286	12,892	20,741
51	1,804	1,321	-	1,663	424	3,857	9,099
52	4,692	6,886	1,028	325	291	2,203	16,424
53	5,278	1,152	3,313	424	52	1,750	11,968
54	1,129	353	1,407	196	793	1,896	5,775
55	1,642	315	-	503	-	1,325	3,785
56	1,195	951	666	-	1,345	4,259	8,416
57	1,213	234	873	442	-	1,763	4,525
58	5,555	3,665	-	268	-	2,527	12,015
59	1,966	1,224	-	26	1,449	88	4,753
60	1,426	956	-	-	-	1,161	3,543
61	455	-	-	475	238	2,545	3,712
62	1,015	-	-	301	415	1,149	2,881
63	238	-	-	695	-	2,330	3,264
64	149	563	865	252	238	798	2,865
65	25	-	109	103	1,058	-	1,295
66	-	-	28	-	291	442	760
67	1,102	347	725	-	-	1,543	3,717
68	265	307	-	-	-	-	572
69	-	-	-	252	-	745	997
70	26	-	436	-	-	-	462
Total	567,197,179	166,961,663	183,860,863	105,244,981	76,493,006	149,992,735	1,249,750,426

Source: Attachment D, p. 1

**Priority Mail
Preliminary Revenues**

Attachment H
page 4 of 9

Weight (Pounds)	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate	53,128,956	18,849,034	19,717,195	13,062,646	8,551,208	20,844,324	134,153,362		
1	776,642,633	204,670,954	219,012,489	128,492,227	93,403,661	194,405,822	1,616,627,785		
2	778,275,097	251,406,312	276,054,187	151,689,516	118,119,924	255,225,989	1,830,771,026		
3	255,609,819	106,074,650	123,279,705	77,293,188	63,073,928	132,405,055	757,736,345		
4	112,259,270	52,460,064	61,096,631	40,687,849	33,391,755	75,336,394	375,231,963		
5	58,400,912	26,651,061	35,426,617	21,397,645	18,296,507	45,593,376	206,765,119		
6	32,660,313	16,812,652	19,040,337	13,897,489	13,621,785	28,325,286	124,357,861		
7	18,945,459	10,893,204	11,871,529	10,698,284	8,787,461	23,529,958	84,725,896		
8	14,245,233	8,389,546	8,474,797	7,197,461	6,363,727	18,090,663	62,761,427		
9	9,398,603	5,950,896	7,384,822	5,466,032	5,277,240	14,709,470	48,187,062		
10	7,570,100	4,821,543	6,708,402	4,120,409	4,550,965	11,447,289	39,218,708		
11	6,796,233	3,787,278	5,555,773	4,413,364	4,088,469	9,862,470	34,503,586		
12	4,406,609	2,800,283	4,224,110	2,760,889	2,478,885	7,433,802	24,104,578		
13	3,574,917	2,270,051	2,978,017	2,334,518	2,475,457	7,217,536	20,850,497		
14	3,440,511	2,069,517	2,329,388	1,335,197	2,074,677	5,215,651	16,464,941		
15	3,014,056	1,878,560	1,914,922	1,400,255	2,652,835	4,581,927	15,422,555		
16	2,399,743	1,461,060	1,759,765	1,634,488	1,480,103	4,041,615	12,776,775		
17	2,335,822	1,287,741	1,488,889	1,342,018	1,104,642	4,699,275	12,268,386		
18	1,457,223	1,199,990	1,655,078	1,226,938	897,249	3,564,932	10,001,410		
19	1,223,526	498,012	1,484,121	621,386	1,105,247	3,329,758	8,262,051		
20	1,041,497	950,741	1,138,294	997,051	629,283	2,798,671	7,555,536		
21	1,006,992	742,451	966,958	501,645	855,306	2,274,756	6,348,109		
22	853,614	482,073	2,196,093	460,669	910,675	2,087,569	6,990,693		
23	1,061,273	666,259	633,913	296,035	1,474,400	3,516,728	7,648,608		
24	861,413	574,226	468,608	374,842	385,325	1,728,829	4,393,243		
25	814,847	456,472	846,545	286,725	586,596	2,054,650	5,045,834		
26	918,954	230,605	1,145,878	229,865	1,420,358	3,071,325	7,016,985		
27	1,064,357	343,084	270,995	511,608	345,528	1,253,965	3,789,536		
28	1,159,256	372,563	444,712	437,179	415,132	1,844,683	4,673,525		
29	514,100	408,495	167,424	315,662	400,478	1,454,113	3,260,272		
30	741,768	276,853	197,916	267,102	747,243	1,004,817	3,235,699		
31	416,690	368,538	235,906	352,887	317,480	1,163,046	2,854,547		
32	488,414	366,888	358,622	217,884	79,126	1,193,939	2,704,473		
33	322,249	181,136	183,005	392,564	295,682	835,232	2,209,868		
34	427,258	168,867	146,409	349,812	170,910	1,154,596	2,417,852		
35	176,102	307,845	105,475	125,928	231,500	593,860	1,540,710		
36	211,816	120,483	205,959	160,714	101,431	433,220	1,233,623		
37	390,988	117,664	85,486	179,645	271,992	985,043	2,030,819		
38	118,526	180,169	222,311	219,309	520,456	579,069	1,839,840		
39	180,528	92,640	213,995	75,241	186,479	993,068	1,741,952		
40	193,560	150,115	76,164	246,038	462,631	398,442	1,526,950		
41	367,821	44,966	43,601	72,332	167,057	446,604	1,142,380		
42	39,650	358,023	197,171	93,806	108,006	653,200	1,449,855		
43	50,689	30,991	276,735	61,849	203,283	834,820	1,458,368		
44	86,423	169,780	84,430	5,869	70,515	324,382	741,399		
45	36,186	25,336	80,128	32,213	165,454	280,447	619,765		
46	45,069	92,283	20,245	817	58,317	162,608	379,339		
47	11,921	164,147	35,734	201,837	112,167	187,875	713,680		
48	118,317	68,530	42,341	11,300	51,100	388,769	680,356		
49	103,446	3,378	367,370	29,893	52,367	815,288	1,371,742		
50	53,592	55,227	38,567	72,138	65,981	859,273	1,144,778		
51	43,785	48,441	-	71,677	22,150	261,963	448,016		
52	115,823	256,924	39,273	13,997	15,494	152,457	593,968		
53	132,465	43,733	128,798	18,603	2,819	123,322	449,740		
54	28,809	13,655	55,646	8,754	43,753	135,999	286,615		
55	42,573	12,371	-	22,863	-	96,709	174,517		
56	31,469	37,998	27,263	-	76,755	316,335	489,819		
57	32,470	9,486	36,313	20,772	-	133,176	232,217		
58	150,946	151,245	-	12,798	-	194,130	509,120		
59	54,243	51,296	-	1,261	86,894	5,881	200,577		
60	39,938	40,705	-	-	-	92,138	172,781		
61	12,935	-	-	23,749	14,712	205,204	256,600		
62	29,276	-	-	15,318	26,084	94,101	164,779		
63	6,961	-	-	35,858	-	193,821	236,640		
64	4,423	25,476	40,039	13,194	15,399	67,422	165,955		
65	751	-	5,104	5,493	69,541	-	80,889		
66	-	-	1,240	-	19,423	38,485	59,147		
67	34,063	16,360	35,052	-	-	136,221	221,696		
68	8,304	14,668	-	-	-	-	22,972		
69	-	-	-	14,164	-	67,654	81,818		
70	836	-	21,947	-	-	-	22,784		
Total	2,160,432,420	733,525,396	823,344,439	498,930,561	405,050,001	908,529,498	5,529,812,316		

Source: By rate cell, Attachment H, p. 2 * Attachment H, p. 3

**Priority Mail
Unzoned Rates**

Attachment H
page 5 of 9

(A) Two-Pound and Flat Rate Envelope Rates

(a)	Attachment H, p. 4	Test Year After Rates Calculated Revenue	\$	1,964,924,389
(b)	Attachment H, p. 3	Test Year After Rates Preliminary Volume		487,967,683
(c)	= (a) / (b)	Average Revenue per Piece	\$	4.026751

Set 2 pound rate: \$ 3.85

(B) One-Pound Rate

(a)	Attachment H, p. 4	Test Year After Rates Calculated Revenue	\$	1,616,627,785
(b)	Attachment H, p. 3	Test Year After Rates Preliminary Volume		461,227,583
(c)	= (a) / (b)	Average Revenue per Piece	\$	3.505054

Set 1 pound rate: \$ 3.45

(C) Three- to Five-Pound Rates

Weight (pounds)	TYAR Volume (a)	Calculated Revenue (b)	Average Revenue per Piece (c) = (b)/(a)
3	147,734,151	\$ 757,736,345	\$ 5.1290534
4	63,851,800	\$ 375,231,963	\$ 5.8766074
5	31,261,118	\$ 206,765,119	\$ 6.6141307
Total	242,847,069	1,339,733,426	

Sources:

- (a) Attachment H, p. 3
(b) Attachment H, p. 4

(d) Set Rate Increment for 3- to 5-pound pieces \$ 1.25

Weight (pounds)	TYAR Volume (e) = (a)	Rate (f)	Calculated Revenue (g) = (e) * (f)
3	147,734,151	\$ 5.10	\$ 753,444,171
4	63,851,800	\$ 6.35	\$ 405,458,932
5	31,261,118	\$ 7.60	\$ 237,584,495
Total	242,847,069		1,396,487,598

Priority Mail
Revised Rates with Initial Constraints

Attachment H
page 6 of 9

Rate constraints for unzoned rates No rate increases less than: 10.0%
No rate increases more than: 20.0%

Weight (Pounds)	L 1.2&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
Flat Rate	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85
1	\$ 3.45	\$ 3.45	\$ 3.45	\$ 3.45	\$ 3.45	\$ 3.45
2	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85
3	\$ 5.10	\$ 5.10	\$ 5.10	\$ 5.10	\$ 5.10	\$ 5.10
4	\$ 6.35	\$ 6.35	\$ 6.35	\$ 6.35	\$ 6.35	\$ 6.35
5	\$ 7.60	\$ 7.60	\$ 7.60	\$ 7.60	\$ 7.60	\$ 7.60
6	\$ 7.260000	\$ 7.590000	\$ 7.810000	\$ 8.195000	\$ 8.883984	\$ 9.900000
7	\$ 7.370000	\$ 8.030000	\$ 8.470000	\$ 9.240000	\$ 9.847857	\$ 11.997735
8	\$ 7.480000	\$ 8.470000	\$ 9.130000	\$ 10.285000	\$ 11.110000	\$ 13.288734
9	\$ 7.590000	\$ 9.023083	\$ 9.790000	\$ 11.330000	\$ 12.430000	\$ 14.850000
10	\$ 7.700000	\$ 9.681098	\$ 10.450000	\$ 12.375000	\$ 13.750000	\$ 16.775000
11	\$ 7.920000	\$ 10.339134	\$ 11.330000	\$ 13.420000	\$ 14.795000	\$ 18.150000
12	\$ 8.140000	\$ 10.997169	\$ 12.155000	\$ 14.410000	\$ 15.895000	\$ 19.580000
13	\$ 8.525000	\$ 11.655204	\$ 12.980000	\$ 15.455000	\$ 17.050000	\$ 21.010000
14	\$ 8.911643	\$ 12.313240	\$ 13.805000	\$ 16.445000	\$ 18.150000	\$ 22.440000
15	\$ 9.350000	\$ 12.971275	\$ 14.830000	\$ 17.435000	\$ 19.250000	\$ 23.870000
16	\$ 9.741771	\$ 13.629310	\$ 15.400000	\$ 18.425000	\$ 20.405000	\$ 25.300000
17	\$ 10.156835	\$ 14.287345	\$ 16.225000	\$ 19.470000	\$ 21.505000	\$ 26.730000
18	\$ 10.571900	\$ 14.960000	\$ 17.050000	\$ 20.460000	\$ 22.660000	\$ 28.160000
19	\$ 10.986964	\$ 15.620000	\$ 17.875000	\$ 21.450000	\$ 23.760000	\$ 29.645000
20	\$ 11.402028	\$ 16.335000	\$ 18.700000	\$ 22.440000	\$ 24.815000	\$ 31.020000
21	\$ 11.817092	\$ 17.050000	\$ 19.470000	\$ 23.485000	\$ 26.015000	\$ 32.395000
22	\$ 12.232156	\$ 17.765000	\$ 20.295000	\$ 24.475000	\$ 27.170000	\$ 33.715000
23	\$ 12.647220	\$ 18.425000	\$ 21.120000	\$ 25.465000	\$ 28.270000	\$ 35.035000
24	\$ 13.062284	\$ 19.140000	\$ 21.945000	\$ 26.455000	\$ 29.370000	\$ 36.355000
25	\$ 13.477348	\$ 19.855000	\$ 22.770000	\$ 27.500000	\$ 30.525000	\$ 37.785000
26	\$ 13.892412	\$ 20.515000	\$ 23.540000	\$ 28.490000	\$ 31.625000	\$ 39.105000
27	\$ 14.307477	\$ 21.230000	\$ 24.365000	\$ 29.480000	\$ 32.780000	\$ 40.425000
28	\$ 14.722541	\$ 21.945000	\$ 25.190000	\$ 30.470000	\$ 33.880000	\$ 41.745000
29	\$ 15.137605	\$ 22.605000	\$ 26.015000	\$ 31.460000	\$ 35.035000	\$ 43.065000
30	\$ 15.552669	\$ 23.320000	\$ 26.840000	\$ 32.505000	\$ 36.135000	\$ 44.385000
31	\$ 15.967733	\$ 24.035000	\$ 27.610000	\$ 33.495000	\$ 37.280000	\$ 45.705000
32	\$ 16.382797	\$ 24.695000	\$ 28.435000	\$ 34.485000	\$ 38.390000	\$ 47.080000
33	\$ 16.797861	\$ 25.410000	\$ 29.260000	\$ 35.475000	\$ 39.545000	\$ 48.400000
34	\$ 17.212925	\$ 26.070000	\$ 30.085000	\$ 36.465000	\$ 40.645000	\$ 49.720000
35	\$ 17.627989	\$ 26.785000	\$ 30.910000	\$ 37.510000	\$ 41.745000	\$ 51.040000
36	\$ 18.043054	\$ 27.500000	\$ 31.680000	\$ 38.500000	\$ 42.900000	\$ 52.360000
37	\$ 18.458118	\$ 28.215000	\$ 32.505000	\$ 39.490000	\$ 44.000000	\$ 53.680000
38	\$ 18.873182	\$ 28.875000	\$ 33.330000	\$ 40.535000	\$ 45.155000	\$ 55.055000
39	\$ 19.288246	\$ 29.590000	\$ 34.155000	\$ 41.525000	\$ 46.255000	\$ 56.375000
40	\$ 19.703310	\$ 30.305000	\$ 34.980000	\$ 42.515000	\$ 47.410000	\$ 57.695000
41	\$ 20.118374	\$ 30.965000	\$ 35.750000	\$ 43.505000	\$ 48.510000	\$ 59.015000
42	\$ 20.533438	\$ 31.680000	\$ 36.575000	\$ 44.495000	\$ 49.665000	\$ 60.335000
43	\$ 20.948502	\$ 32.395000	\$ 37.400000	\$ 45.540000	\$ 50.765000	\$ 61.710000
44	\$ 21.363566	\$ 33.055000	\$ 38.225000	\$ 46.530000	\$ 51.920000	\$ 63.085000
45	\$ 21.778630	\$ 33.770000	\$ 39.050000	\$ 47.520000	\$ 53.020000	\$ 64.405000
46	\$ 22.193695	\$ 34.485000	\$ 39.820000	\$ 48.510000	\$ 54.120000	\$ 65.725000
47	\$ 22.608759	\$ 35.145000	\$ 40.645000	\$ 49.555000	\$ 55.275000	\$ 67.045000
48	\$ 23.023823	\$ 35.860000	\$ 41.470000	\$ 50.545000	\$ 56.375000	\$ 68.365000
49	\$ 23.438887	\$ 36.575000	\$ 42.295000	\$ 51.535000	\$ 57.530000	\$ 69.685000
50	\$ 23.853951	\$ 37.235000	\$ 43.120000	\$ 52.525000	\$ 58.630000	\$ 71.005000
51	\$ 24.269015	\$ 37.950000	\$ 43.890000	\$ 53.515000	\$ 59.675000	\$ 72.380000
52	\$ 24.684079	\$ 38.665000	\$ 44.715000	\$ 54.560000	\$ 60.830000	\$ 73.700000
53	\$ 25.099143	\$ 39.325000	\$ 45.540000	\$ 55.550000	\$ 61.875000	\$ 75.020000
54	\$ 25.514207	\$ 40.040000	\$ 46.365000	\$ 56.540000	\$ 62.975000	\$ 76.340000
55	\$ 25.929272	\$ 40.755000	\$ 47.190000	\$ 57.530000	\$ 64.020000	\$ 77.660000
56	\$ 26.344336	\$ 41.415000	\$ 47.960000	\$ 58.575000	\$ 65.120000	\$ 78.980000
57	\$ 26.759400	\$ 42.130000	\$ 48.785000	\$ 59.565000	\$ 66.220000	\$ 80.355000
58	\$ 27.174464	\$ 42.845000	\$ 49.610000	\$ 60.555000	\$ 67.285000	\$ 81.675000
59	\$ 27.589528	\$ 43.505000	\$ 50.435000	\$ 61.545000	\$ 68.420000	\$ 82.995000
60	\$ 28.004592	\$ 44.220000	\$ 51.260000	\$ 62.590000	\$ 69.465000	\$ 84.315000
61	\$ 28.419656	\$ 44.935000	\$ 52.030000	\$ 63.580000	\$ 70.565000	\$ 85.690000
62	\$ 28.834720	\$ 45.595000	\$ 52.855000	\$ 64.570000	\$ 71.610000	\$ 87.010000
63	\$ 29.249784	\$ 46.310000	\$ 53.680000	\$ 65.560000	\$ 72.710000	\$ 88.385000
64	\$ 29.664848	\$ 47.025000	\$ 54.505000	\$ 66.605000	\$ 73.810000	\$ 89.705000
65	\$ 30.079913	\$ 47.685000	\$ 55.275000	\$ 67.595000	\$ 74.855000	\$ 91.025000
66	\$ 30.494977	\$ 48.400000	\$ 56.100000	\$ 68.585000	\$ 76.010000	\$ 92.345000
67	\$ 30.910041	\$ 49.115000	\$ 56.925000	\$ 69.575000	\$ 77.055000	\$ 93.665000
68	\$ 31.325105	\$ 49.775000	\$ 57.750000	\$ 70.565000	\$ 78.100000	\$ 94.985000
69	\$ 31.740169	\$ 50.490000	\$ 58.575000	\$ 71.610000	\$ 79.255000	\$ 96.305000
70	\$ 32.155233	\$ 51.205000	\$ 59.345000	\$ 72.600000	\$ 80.300000	\$ 97.680000

Sources: Flat rate envelope and 1- to 5- pound rates, Attachment H, p. 5
6- to 70-pound rates: By rate cell, maximum of Attachment H, p. 2 or (1 + 10%) * R97-1 Rates
OR: minimum of Attachment H, p. 2 or (1 + 20%) * R97-1 Rates

Attachment H
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Weight (Pounds)	L12&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
5	\$ 7.600000	\$ 7.600000	\$ 7.600000	\$ 7.600000	\$ 7.600000	\$ 7.600000
6	\$ 7.260000	\$ 7.590000	\$ 7.810000	\$ 8.195000	\$ 8.883984	\$ 9.900000
7	\$ 7.370000	\$ 8.030000	\$ 8.470000	\$ 9.240000	\$ 9.847857	\$ 11.997735
8	\$ 7.480000	\$ 8.470000	\$ 9.130000	\$ 10.285000	\$ 11.110000	\$ 13.268734
9	\$ 7.590000	\$ 9.023063	\$ 9.790000	\$ 11.330000	\$ 12.430000	\$ 14.850000
10	\$ 7.700000	\$ 9.681098	\$ 10.450000	\$ 12.375000	\$ 13.750000	\$ 16.775000
11	\$ 7.920000					
12	\$ 8.140000					
13	\$ 8.525000					
14	\$ 8.911643					
15	\$ 9.350000					
16	\$ 9.741771					
17	\$ 10.156835					
18	\$ 10.571900					
19	\$ 10.986964					
20	\$ 11.402028					

Weight (Pounds)	L12&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
5	\$ 7.600000	\$ 7.600000	\$ 7.600000	\$ 7.600000	\$ 7.600000	\$ 7.600000
6	\$ 7.850000	\$ 8.000000	\$ 8.150000	\$ 8.550000	\$ 8.850000	\$ 9.450000
7	\$ 8.050000	\$ 8.400000	\$ 8.700000	\$ 9.500000	\$ 10.100000	\$ 11.300000
8	\$ 8.150000	\$ 8.800000	\$ 9.250000	\$ 10.450000	\$ 11.350000	\$ 13.150000
9	\$ 8.300000	\$ 9.200000	\$ 9.800000	\$ 11.400000	\$ 12.600000	\$ 15.000000
10	\$ 8.400000	\$ 9.700000	\$ 10.450000	\$ 12.400000	\$ 13.750000	\$ 16.850000
11	\$ 8.650000					
12	\$ 8.900000					
13	\$ 9.150000					
14	\$ 9.400000					
15	\$ 9.650000					
16	\$ 9.900000					
17	\$ 10.150000					
18	\$ 10.550000					
19	\$ 10.950000					
20	\$ 11.400000					

Priority Mail
Revised Rates with Initial Constraints and Smoothing

Attachment H
page 8 of 9

Weight (Pounds)	L,1,2&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
Flat Rate	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85
1	\$ 3.45	\$ 3.45	\$ 3.45	\$ 3.45	\$ 3.45	\$ 3.45
2	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85	\$ 3.85
3	\$ 5.10	\$ 5.10	\$ 5.10	\$ 5.10	\$ 5.10	\$ 5.10
4	\$ 6.35	\$ 6.35	\$ 6.35	\$ 6.35	\$ 6.35	\$ 6.35
5	\$ 7.60	\$ 7.60	\$ 7.60	\$ 7.60	\$ 7.60	\$ 7.60
6	\$ 7.85	\$ 8.00	\$ 8.15	\$ 8.55	\$ 8.85	\$ 9.45
7	\$ 8.05	\$ 8.40	\$ 8.70	\$ 9.50	\$ 10.10	\$ 11.30
8	\$ 8.15	\$ 8.80	\$ 9.25	\$ 10.45	\$ 11.35	\$ 13.15
9	\$ 8.30	\$ 9.20	\$ 9.80	\$ 11.40	\$ 12.60	\$ 15.00
10	\$ 8.40	\$ 9.70	\$ 10.45	\$ 12.40	\$ 13.75	\$ 16.85
11	\$ 8.65	\$ 10.35	\$ 11.35	\$ 13.40	\$ 14.80	\$ 18.15
12	\$ 8.90	\$ 11.00	\$ 12.15	\$ 14.40	\$ 15.90	\$ 19.60
13	\$ 9.15	\$ 11.65	\$ 13.00	\$ 15.45	\$ 17.05	\$ 21.00
14	\$ 9.40	\$ 12.30	\$ 13.80	\$ 16.45	\$ 18.15	\$ 22.45
15	\$ 9.65	\$ 12.95	\$ 14.65	\$ 17.45	\$ 19.25	\$ 23.85
16	\$ 9.90	\$ 13.65	\$ 15.40	\$ 18.45	\$ 20.40	\$ 25.30
17	\$ 10.15	\$ 14.30	\$ 16.25	\$ 19.45	\$ 21.50	\$ 26.75
18	\$ 10.55	\$ 14.95	\$ 17.05	\$ 20.45	\$ 22.65	\$ 28.15
19	\$ 10.95	\$ 15.60	\$ 17.90	\$ 21.45	\$ 23.75	\$ 29.65
20	\$ 11.40	\$ 16.35	\$ 18.70	\$ 22.45	\$ 24.90	\$ 31.00
21	\$ 11.80	\$ 17.05	\$ 19.45	\$ 23.50	\$ 26.00	\$ 32.40
22	\$ 12.25	\$ 17.75	\$ 20.30	\$ 24.50	\$ 27.15	\$ 33.70
23	\$ 12.65	\$ 18.45	\$ 21.10	\$ 25.45	\$ 28.25	\$ 35.05
24	\$ 13.05	\$ 19.15	\$ 21.95	\$ 26.45	\$ 29.35	\$ 36.35
25	\$ 13.50	\$ 19.85	\$ 22.75	\$ 27.50	\$ 30.55	\$ 37.80
26	\$ 13.90	\$ 20.50	\$ 23.55	\$ 28.50	\$ 31.65	\$ 39.10
27	\$ 14.30	\$ 21.25	\$ 24.35	\$ 29.50	\$ 32.80	\$ 40.45
28	\$ 14.70	\$ 21.95	\$ 25.20	\$ 30.45	\$ 33.90	\$ 41.75
29	\$ 15.15	\$ 22.60	\$ 26.00	\$ 31.45	\$ 35.05	\$ 43.05
30	\$ 15.55	\$ 23.30	\$ 26.85	\$ 32.50	\$ 36.15	\$ 44.40
31	\$ 15.95	\$ 24.05	\$ 27.80	\$ 33.50	\$ 37.30	\$ 45.70
32	\$ 16.40	\$ 24.70	\$ 28.45	\$ 34.50	\$ 38.40	\$ 47.10
33	\$ 16.80	\$ 25.40	\$ 29.25	\$ 35.50	\$ 39.55	\$ 48.40
34	\$ 17.20	\$ 26.05	\$ 30.10	\$ 36.45	\$ 40.65	\$ 49.70
35	\$ 17.65	\$ 26.80	\$ 30.90	\$ 37.50	\$ 41.75	\$ 51.05
36	\$ 18.05	\$ 27.50	\$ 31.70	\$ 38.50	\$ 42.90	\$ 52.35
37	\$ 18.45	\$ 28.20	\$ 32.50	\$ 39.50	\$ 44.00	\$ 53.70
38	\$ 18.85	\$ 28.90	\$ 33.35	\$ 40.55	\$ 45.15	\$ 55.05
39	\$ 19.30	\$ 29.60	\$ 34.15	\$ 41.55	\$ 46.25	\$ 56.40
40	\$ 19.70	\$ 30.30	\$ 35.00	\$ 42.50	\$ 47.40	\$ 57.70
41	\$ 20.10	\$ 30.95	\$ 35.75	\$ 43.50	\$ 48.50	\$ 59.00
42	\$ 20.55	\$ 31.70	\$ 36.60	\$ 44.50	\$ 49.65	\$ 60.35
43	\$ 20.95	\$ 32.40	\$ 37.40	\$ 45.55	\$ 50.75	\$ 61.70
44	\$ 21.35	\$ 33.05	\$ 38.25	\$ 46.55	\$ 51.90	\$ 63.10
45	\$ 21.80	\$ 33.75	\$ 39.05	\$ 47.50	\$ 53.00	\$ 64.40
46	\$ 22.20	\$ 34.50	\$ 39.80	\$ 48.50	\$ 54.10	\$ 65.75
47	\$ 22.60	\$ 35.15	\$ 40.65	\$ 49.55	\$ 55.30	\$ 67.05
48	\$ 23.00	\$ 35.85	\$ 41.45	\$ 50.55	\$ 56.40	\$ 68.35
49	\$ 23.45	\$ 36.60	\$ 42.30	\$ 51.55	\$ 57.55	\$ 69.70
50	\$ 23.85	\$ 37.25	\$ 43.10	\$ 52.55	\$ 58.65	\$ 71.00
51	\$ 24.25	\$ 37.95	\$ 43.90	\$ 53.50	\$ 59.70	\$ 72.40
52	\$ 24.70	\$ 38.65	\$ 44.70	\$ 54.55	\$ 60.85	\$ 73.70
53	\$ 25.10	\$ 39.35	\$ 45.55	\$ 55.55	\$ 61.90	\$ 75.00
54	\$ 25.50	\$ 40.05	\$ 46.35	\$ 56.55	\$ 63.00	\$ 76.35
55	\$ 25.95	\$ 40.75	\$ 47.20	\$ 57.55	\$ 64.00	\$ 77.65
56	\$ 26.35	\$ 41.40	\$ 47.95	\$ 58.60	\$ 65.10	\$ 79.00
57	\$ 26.75	\$ 42.15	\$ 48.80	\$ 59.55	\$ 66.20	\$ 80.35
58	\$ 27.15	\$ 42.85	\$ 49.60	\$ 60.55	\$ 67.25	\$ 81.70
59	\$ 27.60	\$ 43.50	\$ 50.45	\$ 61.55	\$ 68.40	\$ 83.00
60	\$ 28.00	\$ 44.20	\$ 51.25	\$ 62.60	\$ 69.45	\$ 84.30
61	\$ 28.40	\$ 44.95	\$ 52.05	\$ 63.60	\$ 70.55	\$ 85.70
62	\$ 28.85	\$ 45.60	\$ 52.85	\$ 64.55	\$ 71.60	\$ 87.00
63	\$ 29.25	\$ 46.30	\$ 53.70	\$ 65.55	\$ 72.70	\$ 88.40
64	\$ 29.65	\$ 47.05	\$ 54.50	\$ 66.60	\$ 73.80	\$ 89.70
65	\$ 30.10	\$ 47.70	\$ 55.30	\$ 67.60	\$ 74.85	\$ 91.05
66	\$ 30.50	\$ 48.40	\$ 56.10	\$ 68.60	\$ 76.00	\$ 92.35
67	\$ 30.90	\$ 49.10	\$ 56.95	\$ 69.60	\$ 77.05	\$ 93.65
68	\$ 31.35	\$ 49.80	\$ 57.75	\$ 70.55	\$ 78.10	\$ 95.00
69	\$ 31.75	\$ 50.50	\$ 58.60	\$ 71.60	\$ 79.25	\$ 96.30
70	\$ 32.15	\$ 51.20	\$ 59.35	\$ 72.60	\$ 80.30	\$ 97.70

Source: Flat rate envelope and 1- to 5- pound rates: Attachment H, p. 5
6- to 10-pound rates, and 11- to 15-pound, Zone L,1,2,3 rates: Attachment H, p. 7 (B)
All other cells: Attachment H, p. 6

Priority Mail
Estimated Revenue with Initial Constraints and Smoothing

Attachment H
page 9 of 9

Weight (Pounds)	L 1,2&3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
Flat Rate	55,365,386	17,953,475	18,667,844	11,970,063	7,349,451	16,314,844	127,621,064
1	795,767,331	200,430,142	213,811,094	123,327,270	86,641,865	171,257,457	1,591,235,160
2	810,670,555	239,305,089	261,188,526	138,899,848	101,432,166	199,558,330	1,751,054,514
3	299,960,581	106,600,304	122,655,424	72,876,814	53,681,149	97,670,099	753,444,171
4	149,726,119	58,107,097	66,878,421	41,817,098	30,481,655	58,448,542	405,458,932
5	85,749,856	31,693,090	41,574,765	23,405,715	18,515,632	36,645,437	237,584,495
6	45,855,389	19,081,009	21,699,772	15,396,815	13,569,677	24,953,904	140,556,565
7	25,392,276	11,872,714	13,196,925	11,975,427	9,012,454	22,181,560	93,611,356
8	18,080,357	8,825,793	9,221,151	8,125,653	6,680,550	17,928,780	68,862,286
9	11,410,873	6,067,589	7,886,688	6,215,277	5,646,693	15,175,112	52,402,231
10	8,769,197	4,830,957	7,115,987	4,732,950	4,911,958	12,199,741	42,560,789
11	7,668,139	3,791,259	5,990,394	5,113,789	4,415,661	10,479,257	37,458,499
12	4,852,905	2,801,004	4,581,754	3,223,331	2,687,235	7,939,011	26,085,240
13	3,849,842	2,269,037	3,259,688	2,752,567	2,700,165	7,723,725	22,555,025
14	3,629,051	2,067,292	2,561,045	1,583,222	2,269,084	5,603,872	17,713,567
15	3,118,533	1,875,479	2,120,966	1,668,746	2,908,340	4,908,568	16,600,631
16	2,438,720	1,463,278	1,949,405	1,956,696	1,630,112	4,362,934	13,801,145
17	2,334,250	1,288,881	1,659,775	1,613,112	1,218,777	5,087,705	13,202,500
18	1,454,204	1,200,360	1,850,187	1,480,224	993,752	3,862,886	10,841,614
19	1,219,410	497,903	1,667,961	752,178	1,225,796	3,623,059	8,986,308
20	1,041,311	955,918	1,282,128	1,210,814	700,197	3,041,957	8,232,125
21	1,005,535	748,178	1,088,562	612,110	952,698	2,473,913	6,880,996
22	854,860	486,803	2,483,285	563,517	1,017,234	2,264,808	7,670,506
23	1,061,506	674,094	718,059	362,252	1,648,282	3,812,181	8,276,354
24	860,603	582,019	532,883	459,702	431,097	1,870,063	4,736,367
25	816,217	483,438	964,029	353,001	658,900	2,226,930	5,482,515
26	919,456	233,918	1,306,637	283,523	1,596,308	3,322,262	7,662,103
27	1,063,801	349,369	309,398	632,124	389,122	1,355,585	4,099,400
28	1,157,482	379,906	509,334	540,150	467,708	1,990,646	5,045,227
29	514,521	416,159	191,951	390,624	452,024	1,566,568	3,531,847
30	741,641	282,407	227,554	331,530	843,704	1,082,054	3,508,891
31	416,227	377,166	270,976	438,597	359,057	1,250,566	3,112,590
32	488,927	374,917	413,018	270,898	89,512	1,284,694	2,921,966
33	322,290	185,399	210,926	489,114	334,995	897,467	2,440,192
34	426,938	172,685	169,151	435,743	193,672	1,238,990	2,637,179
35	176,322	315,714	121,938	157,247	262,380	637,093	1,670,894
36	211,897	123,676	238,253	200,887	115,116	464,196	1,354,025
37	390,816	120,887	98,948	224,769	308,730	1,055,242	2,199,392
38	118,380	185,258	257,849	274,987	591,488	620,206	2,048,169
39	180,638	95,332	248,329	94,424	211,950	1,063,402	1,894,075
40	193,527	154,594	88,552	308,650	526,428	426,211	1,697,963
41	367,485	46,266	50,643	90,811	190,106	477,248	1,222,559
42	39,682	369,225	229,431	117,862	123,040	697,924	1,577,163
43	50,693	31,982	322,137	77,853	231,588	891,864	1,606,117
44	86,368	175,053	98,447	7,393	80,414	346,779	794,454
45	36,221	26,140	93,462	40,559	188,684	299,537	684,803
46	45,081	95,407	23,592	1,030	66,505	173,857	405,272
47	11,916	169,557	41,706	254,708	128,150	200,469	806,507
48	118,194	70,828	49,432	14,268	58,380	414,490	725,592
49	103,495	3,498	429,522	37,766	59,879	869,162	1,503,322
50	53,583	57,141	45,103	91,185	75,443	915,345	1,237,800
51	43,751	50,145	-	90,565	25,304	279,235	488,999
52	115,897	266,090	45,951	17,711	17,715	162,388	625,752
53	132,470	45,315	150,895	23,550	3,220	131,261	486,711
54	28,793	14,156	65,206	11,086	49,980	144,749	313,970
55	42,607	12,830	-	28,969	-	102,861	187,267
56	31,475	39,376	31,959	-	87,543	336,451	526,804
57	32,458	9,846	42,619	26,342	-	141,642	252,907
58	150,810	157,048	-	16,236	-	206,466	530,560
59	54,264	53,224	-	1,601	99,110	7,314	215,513
60	39,931	42,251	-	-	-	97,872	180,055
61	12,926	-	-	30,187	16,769	218,102	277,984
62	29,292	-	-	19,461	29,710	99,958	178,421
63	6,961	-	-	45,573	-	206,000	258,534
64	4,421	26,510	47,125	16,788	17,541	71,618	184,003
65	752	-	6,008	6,991	79,163	-	92,913
66	-	-	1,459	-	22,125	40,858	64,443
67	34,051	17,023	41,304	-	-	144,544	236,922
68	8,311	15,267	-	-	-	-	23,577
69	-	-	-	18,048	-	71,752	89,800
70	836	-	25,867	-	-	-	26,704
	2,351,958,595	731,493,769	823,111,399	488,607,604	371,773,145	767,599,385	5,534,543,897
							Preliminary Revenue (Attachment H, p. 4)
							Difference
							(4,731,582)
							Percentage Difference
							-0.1%

Source: By rate cell, Attachment H, p. 3 * Attachment H, p. 8

Pickup Fee Development

Attachment I

Test Year Before Rates

		On-Call Stops	Scheduled Stops	Total Stops
(a) USPS-T36, Attachment B	Express Mail	347,846	247,612	595,458
(b) Attachment B, p. 3, Distributed using FY 98	Priority Mail	305,737	9,028	314,765
(c) USPS-T36, Attachment J	Parcel Post	36,240	713	36,953
(d) = (a) + (b) + (c)	Total	689,823	257,353	947,176
(e) LR-I-160, Section I, p.1	Cost per Stop	\$ 9.9814	\$ 9.1972	
(f) = (d) * (e)	Total Cost	\$ 6,885,414	\$ 2,366,920	\$ 9,252,334
(g) USPS-T9	Contingency Factor			2.5%
(h) = (f) * [1+(g)]	Total Cost including Contingency			\$ 9,483,642
(i) = (h) / (d)	Average Cost per Stop including Contingency			\$ 10.0125
(j)	Proposed Pickup Fee			\$ 10.25

Test Year After Rates

	Stops	On-Call Stops	Scheduled Stops	Total Stops
(k) USPS-T36, Attachment B	Express Mail	351,049	249,893	600,942
(l) Attachment D, p. 1 Distributed on (b)	Priority Mail	281,633	8,316	289,949
(m) USPS-T36, Attachment J	Parcel Post	33,291	655	33,946
(n) =(k) + (l) + (m)	Total	665,973	258,864	924,837
	<u>Costs</u>			
(o) = (e) * (k)	Express Mail	3,503,968	2,298,309	5,802,277
(p) = (e) * (l)	Priority Mail	2,811,093	76,486	2,887,579
(q) = (e) * (m)	Parcel Post	332,291	6,024	338,316
(r) = (o) + (p) + (q)	Total	6,647,352	2,380,819	9,028,171
	<u>Revenue</u>			
(s) = (j) * (k)	Express Mail	3,598,252	2,561,403	6,159,656
(t) = (j) * (l)	Priority Mail	2,886,734	85,241	2,971,975
(u) = (j) * (m)	Parcel Post	341,233	6,714	347,947
(v) = (s) + (t) + (u)	Total	6,826,219	2,653,358	9,479,577
(w) = (v) / (r)	Cost Coverage			105.0%

**Delivery Confirmation Forecast
FY 1999 Scanner Data**

Attachment J
page 1 of 2

Week	Volume with Acceptance Scans (a)				Percent without Acceptance Scan (b)		Total Volume (c)			
	Priority Mail		Standard (B)		Electronic	Retail	Priority Mail		Standard (B)	
	Electronic	Retail	Electronic	Retail			Electronic	Retail	Electronic	Retail
WK1 AP1 FY99	405.6				10.1%		451.3	0.0	0.0	0.0
WK2 AP1 FY99	269.3				22.5%		347.7	0.0	0.0	0.0
WK3 AP1 FY99	388.2				9.3%		427.9	0.0	0.0	0.0
WK4 AP1 FY99	266.5				25.4%		357.1	0.0	0.0	0.0
WK1 AP2 FY99	338.6				16.0%		403.0	0.0	0.0	0.0
WK2 AP2 FY99	372.8				16.7%		447.6	0.0	0.0	0.0
WK3 AP2 FY99	350.8				18.0%		427.7	0.0	0.0	0.0
WK4 AP2 FY99	427.2				17.9%		520.3	0.0	0.0	0.0
WK1 AP3 FY99	319.4				28.9%		449.3	0.0	0.0	0.0
WK2 AP3 FY99	384.2				13.0%		441.5	0.0	0.0	0.0
WK3 AP3 FY99	454.0				6.8%		487.0	0.0	0.0	0.0
WK4 AP3 FY99	366.5				13.9%		425.7	0.0	0.0	0.0
WK1 AP4 FY99	503.4				23.2%		655.5	0.0	0.0	0.0
WK2 AP4 FY99	613.2				13.2%		706.4	0.0	0.0	0.0
WK3 AP4 FY99	528.3				46.1%		979.7	0.0	0.0	0.0
WK4 AP4 FY99	257.7				27.4%		354.9	0.0	0.0	0.0
WK1 AP5 FY99	415.1				12.8%		475.9	0.0	0.0	0.0
WK2 AP5 FY99	417.5				11.8%		473.6	0.0	0.0	0.0
WK3 AP5 FY99	450.4				13.6%		521.5	0.0	0.0	0.0
WK4 AP5 FY99	485.3				8.2%		528.4	0.0	0.0	0.0
WK1 AP6 FY99	519.9				6.6%		556.5	0.0	0.0	0.0
WK2 AP6 FY99	438.2				13.0%		503.9	0.0	0.0	0.0
WK3 AP6 FY99	403.8				9.2%		444.8	0.0	0.0	0.0
WK4 AP6 FY99	466.4				13.8%		540.8	0.0	0.0	0.0
WK1 AP7 FY99	457.1				15.4%		540.1	0.0	0.0	0.0
WK2 AP7 FY99	488.5				10.7%		547.3	0.0	0.0	0.0
WK3 AP7 FY99	559.8	324.8		28.6	11.8%	21.4%	634.7	413.2	0.0	36.4
WK4 AP7 FY99	593.8	372.0		26.9	8.0%	24.0%	645.4	489.5	0.0	35.4
WK1 AP8 FY99	570.3	385.3		22.1	4.0%	13.8%	594.0	447.1	0.0	25.7
WK2 AP8 FY99	454.8	349.6		21.1	8.9%	12.1%	499.2	397.8	0.0	24.0
WK3 AP8 FY99	505.2	334.7		18.3	12.5%	12.5%	577.3	382.4	0.0	20.9
WK4 AP8 FY99	549.0	327.3		18.4	6.5%	13.2%	587.2	377.1	0.0	21.2
WK1 AP9 FY99	541.9	348.3		18.7	10.0%	13.5%	602.1	402.7	0.0	21.6
WK2 AP9 FY99	538.4	384.9		18.1	10.6%	14.5%	602.2	450.0	0.0	21.1
WK3 AP9 FY99	513.9	355.1	0.0	18.1	10.7%	18.6%	575.5	436.1	0.0	22.3
WK4 AP9 FY99	528.6	342.5	0.0	17.5	13.8%	17.6%	613.3	415.7	0.0	21.2
WK1 AP10 FY99	503.5	356.2	0.0	18.0	14.9%	16.6%	591.6	427.2	0.0	21.6
WK2 AP10 FY99	411.3	309.5	0.0	15.3	14.6%	18.6%	481.7	380.3	0.0	18.8
WK3 AP10 FY99	507.4	368.5	0.0	17.9	10.6%	19.6%	567.3	458.6	0.0	22.2
WK4 AP10 FY99	537.2	389.6	0.0	17.6	10.5%	18.8%	600.4	479.7	0.0	21.7
WK1 AP11 FY99	590.8	367.8	2.7	18.4	10.0%	21.3%	656.4	467.6	3.0	23.4
WK2 AP11 FY99	580.0	386.5	2.8	19.6	9.8%	26.3%	643.1	524.1	3.2	26.6
WK3 AP11 FY99	430.2	333.8	1.8	15.8	15.6%	21.1%	509.9	422.9	2.2	20.1
WK4 AP11 FY99	543.4	411.1	31.8	19.3	12.6%	21.0%	621.7	520.2	36.4	24.4
WK1 AP12 FY99	523.3	399.2	14.3	19.8	15.5%	38.1%	618.9	644.6	17.0	32.0
WK2 AP12 FY99	557.1	434.6	12.7	21.3	10.3%	23.1%	620.8	565.2	14.2	27.8
WK3 AP12 FY99	618.2	432.8	2.7	21.6	8.1%	22.2%	672.5	556.2	2.9	27.7
WK4 AP12 FY99	665.2	450.0	1.7	21.7	7.8%	20.7%	721.1	567.6	1.9	27.4
WK1 AP13 FY99	676.1	437.0	3.5	22.5	6.5%	22.3%	722.7	562.6	3.7	29.0
WK2 AP13 FY99	690.4	464.0	5.9	23.1	5.8%	20.8%	732.8	585.9	6.3	29.2
WK3 AP13 FY99	697.9	467.0	6.3	24.4	6.1%	18.0%	742.9	569.6	6.7	29.8
WK4 AP13 FY99	620.9	412.6	2.7	19.9	7.3%	18.5%	669.5	506.1	3.0	24.4
Total FY 1999	25,296.3	9,944.6	89.1	524.3			29,119.5	12,449.9	100.3	656.0

Source:

(a) Delivery Confirmation Program Scanner Data

(b) Delivery Confirmation Program Scanner Data

(c) = (a) / [1 - (b)]

Delivery Confirmation Forecast

Attachment J
page 2 of 2

(A) Estimated Delivery Confirmation Transactions

Year	Fiscal Year	Adoption Percentage	Priority Mail		Standard (B)		Total Transactions
		(a)	Electronic (b)	Retail (c)	Electronic (d)	Retail (e)	(f) = (b) + (c) + (d) + (e)
1	FY 1999	11.92%	29,119	12,450	100	656	42,326
2	FY 2000	26.89%	65,698	28,089	226	1,480	95,494
3	FY 2001	50.00%	122,142	52,221	421	2,752	177,536

Sources:

- (a) Calculated adoption curve from R97-1, USPS-33R, p 6-8. FY 1999 is assumed to be Year 1.
 (b) FY 1999: delivery confirmation program scanner data. FY 2001: (b) = [(b) FY 1999 / (a) FY 1999] * (a) FY 2001
 (c) FY 1999: delivery confirmation program scanner data. FY 2001: (c) = [(c) FY 1999 / (a) FY 1999] * (a) FY 2001
 (d) FY 1999: delivery confirmation program scanner data. FY 2001: (d) = [(d) FY 1999 / (a) FY 1999] * (a) FY 2001
 (e) FY 1999: delivery confirmation program scanner data. FY 2001: (e) = [(e) FY 1999 / (a) FY 1999] * (a) FY 2001

(B) Additional Priority Mail Volume

Test Year Before Rates

Assumed Additional Growth: 1% per year

	Before Rates Priority Mail Forecast (a)	Incremental Volume (b)	Adjusted Before Rates Priority Mail Forecast (c) = (a) + (b)
2000	1,217,641	12,176	1,229,818
2001	1,331,105	25,609	1,356,715

Sources:

- (a) USPS-T8, Table 1, p. 6
 (b) Assumed additional volume of 1% in 2000 and 1% additional growth in 2001 due to delivery confirmation

Test Year After Rates

		Pieces
(d) USPS-T8, Table 1, p. 6	TYAR Volume (without delivery confirmation adjustment)	1,226,160 (000)
(e) USPS-T8, Table 1, p. 6	TYBR Volume (without delivery confirmation adjustment)	1,331,105 (000)
(f) Attachment J, (B) (b)	TYBR Delivery confirmation adjustment	25,609 (000)
(g) = [(f) / (e)] * (d)	TYAR Delivery Confirmation Adjustment	23,590 (000)
(h) = (d) + (g)	Adjusted TYAR Priority Mail Volume	1,249,750 (000)

**Priority Mail
Final Adjustments**

Attachment K

(A) Calculation of Priority Mail Final Adjustments - Cost of Additional Priority Mail Due to Delivery Confirmation

		<u>Before Rates</u>		<u>After Rates</u>
		2000	2001	2001
(a)	USPS-T14, Workpaper H, Table E Volume Variable Costs (000)	2,754,718	3,073,867	2,887,309
(b)	USPS-T8, Table 1, p. 6 Priority Mail Forecast (without DC Adjustment) (000)	1,217,641	1,331,105	1,226,160
(c)	= (a) / (b) Cost per Piece	2.26	2.31	2.35
(d)	Attachment J, p. 2 B Incremental volume from Delivery Confirmation (000)	12,176	25,609	23,590
(e)	= (c) * (d) Final Adjustment (000)	27,547	59,138	55,549

(B) Allocation of Priority Mail Final Adjustments to Transportation Cost Segments

		<u>Total</u>	<u>Air</u>	<u>Surface</u>
		<u>Adjustment</u>	<u>Transportation</u>	<u>Transportation</u>
(a)	<u>Test Year Before Rates</u> Final Adjustment for Delivery Confirmation (000)	59,138	9,739	5,718
(b)	Final Adjustment for Change Maximum FCM Weight (000)	50,075	32,549	17,526
(c)	= (a) + (b) Total	109,213	42,287	23,244

Sources:

- (a) Total: Attachment K, A(e); Allocation to transportation: LR-I-127, Chapter XV
 (b) Total: USPS-T28, Table 8; Allocation to transportation: LR-I-98, Section 9