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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

**RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS DANIEL TO INTERROGATORIES OF ADVO, INC.
(ADVO/USPS-T28—8-11)**

The United States Postal Service hereby provides the responses of witness Daniel to the following interrogatories of the Advo, Inc.: ADVO/USPS-T28—8-11, filed on March 22, 2000.


Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking

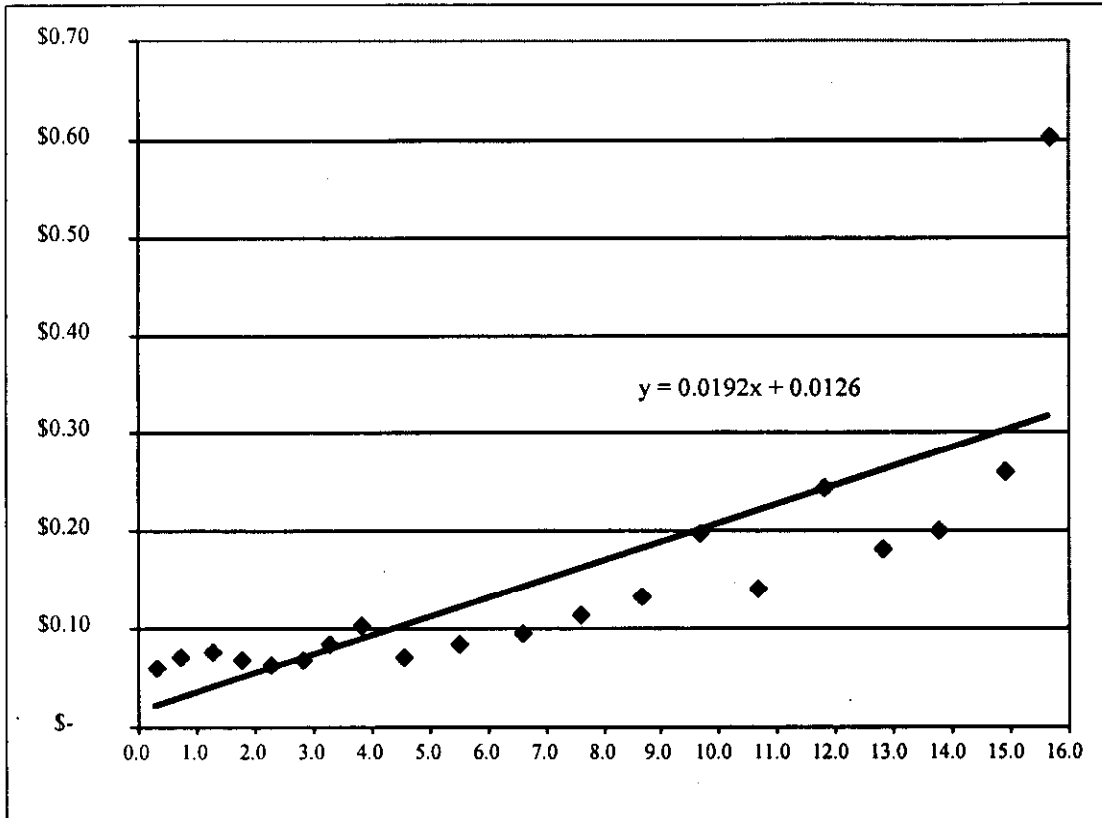


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April 5, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS DANIEL TO
INTERROGATORIES OF ADVO, INC.**

ADVO/USPS-T28-8. In LR-92, Spreadsheet LR92bECR.xls Worksheet "ECR all (detailed)," you present a graph of ECR unit costs by ounce increment. That graph, with the scale adjusted for better viewing, is copied from your spreadsheet below:



With respect to this graph, please respond to the following:

- (a) Please confirm that this graph accurately represents the graph shown in your referenced worksheet, with the x and y axes adjusted for better viewing. If you cannot confirm, please provide what you believe to be the correct graph, in approximately the same scale as shown above.
- (b) Please confirm that the straight line on this graph represents your simple unweighted straight-line regression of the data points, shown by the equation $y = 0.0192x + 0.0126$.
- (c) Please confirm that below 2 ounces,
 - (i) There are 4 actual unit cost data points shown;
 - (ii) All 4 of the actual unit cost data points lie above the line that represents the equation.
 - (iii) The percentage difference between the actual and formula unit costs is progressively greater for the lightest weight increments, i.e., in the 0-5 ounce increment the actual unit cost is more than 3 times or 200% greater than the formula unit cost, whereas in the 1.5-2.0 ounce increment the actual unit cost is more than 40% greater than the formula unit cost.
- (d) Please confirm that above 4 ounces,
 - (i) There are 12 actual unit cost data points shown.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS DANIEL TO
INTERROGATORIES OF ADVO, INC.**

- (ii) Nine of the 12 actual unit cost data points lie below the line that represents the equation, and 8 of those 9 are more than 20% lower than the formula unit cost.
- (iii) Two of the 12 actual unit cost data points lie approximately on the line that represents the equation.
- (iv) Only one of the 12 unit cost data points -- for the last 15-16 ounce increment - lies above the line that represents the equation.
- (e) With respect to the last 15-16 ounce increment, please confirm that:
 - (i) The unit cost for the last 15-16 ounce increment is 2.3 times (or 130%) greater than the unit cost for the 14-15 ounce increment.
 - (ii) The volume in the last 15-16 ounce increment constitutes less than 0.04% (four ten-thousandths) of total ECR volume.
 - (iii) In developing the equation shown on the graph, the unit cost for this last weight increment was given equal weight with the unit costs for all other weigh increments.

If you cannot confirm any of the above, please provide the figures you believe to be correct and indicate your source and derivation.

RESPONSE:

- a. Confirmed.
- b. Confirmed.
- c.
 - (i) Confirmed.
 - (ii) Confirmed.
 - (iii) Confirmed.
- d.
 - (i) Confirmed.
 - (ii) Not confirmed. There are actually 10 unit cost data points technically below the line that represents the equation. Confirmed that 8 are more than 20 percent lower than the formula.
 - (iii) Confirmed. One is technically slightly below the line and one is slightly above the line.
 - (iv) Confirmed.
- e.
 - (i) Confirmed. The precise figure is actually 131.6%.
 - (ii) Confirmed
 - (iii) Confirmed.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS DANIEL TO
INTERROGATORIES OF ADVO, INC.**

ADVO/USPS-T28-9. Please refer to the table below, which is based on the ECR unit cost data by ounce increment contained in your LR-92, Worksheet LR92bECR.xls:

Weight Increment	Ave. Wt. (oz.)	Unit Cost	Formula	Unit Cost - Formula	Unit Cost / Formula
0 to .5	0.33	\$ 0.058	\$ 0.019	\$ 0.040	209%
.5 to 1.0	0.73	\$ 0.072	\$ 0.027	\$ 0.045	168%
1.0 to 1.5	1.28	\$ 0.076	\$ 0.037	\$ 0.039	105%
1.5 to 2	1.78	\$ 0.068	\$ 0.047	\$ 0.021	44%
2 to 2.5	2.30	\$ 0.062	\$ 0.057	\$ 0.005	8%
2.5 to 3	2.81	\$ 0.069	\$ 0.066	\$ 0.003	4%
3 to 3.5	3.29	\$ 0.084	\$ 0.076	\$ 0.008	11%
3.5 to 4	3.85	\$ 0.103	\$ 0.086	\$ 0.016	19%
4 to 5	4.56	\$ 0.072	\$ 0.100	\$ (0.028)	-28%
5 to 6	5.53	\$ 0.085	\$ 0.119	\$ (0.034)	-28%
6 to 7	6.59	\$ 0.094	\$ 0.139	\$ (0.045)	-32%
7 to 8	7.61	\$ 0.114	\$ 0.159	\$ (0.045)	-28%
8 to 9	8.67	\$ 0.132	\$ 0.179	\$ (0.047)	-26%
9 to 10	9.67	\$ 0.198	\$ 0.198	\$ (0.000)	0%
10 to 11	10.68	\$ 0.141	\$ 0.218	\$ (0.076)	-35%
11 to 12	11.78	\$ 0.244	\$ 0.239	\$ 0.005	2%
12 to 13	12.80	\$ 0.181	\$ 0.258	\$ (0.077)	-30%
13 to 14	13.77	\$ 0.200	\$ 0.277	\$ (0.077)	-28%
14 to 15	14.91	\$ 0.260	\$ 0.299	\$ (0.039)	-13%
15 to 16+	15.69	\$ 0.601	\$ 0.314	\$ 0.287	92%

With respect to this table and your Worksheet LR92bECR.xls please confirm the following:

- (a) The average weights per piece (total weight in ounces + total volume) and the unit costs by ounce increment shown above accurately reflect the data in Worksheet LR92bECR.xls.
- (b) The costs in the "Formula" column, derived from the equation $y = 0.0192x + 0.0126$ shown in your worksheet (where x = the average weight by ounce increment shown in column 2 above), accurately reflect the "predicted" or "formula" unit costs derived from your equation.
- (c) The values in "Unit Cost - Formula" column accurately represent the differences between the actual unit costs in your worksheet and the "predicted" or "formula" unit costs derived from your equation.
- (d) The values in "Unit Cost + Formula" column accurately represent the percentage differences between the actual unit costs in your worksheet and the "predicted" or "formula" unit costs derived from your equation.

RESPONSE:

a-d. Confirmed.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS DANIEL TO
INTERROGATORIES OF ADVO, INC.**

ADVO/USPS-T28-10. Please provide, in a format similar to that presented in your Worksheet LR92bECR.xls adjusted attributable costs, mail volumes, and unit costs separately for (i) ECR total and (ii) ECR flats, after adjustment for worksharing characteristics. Please explain and provide your derivations.

RESPONSE:

Attached are replications of pages 17-19 of Section 2, USPS LR-I-92 showing ECR flats unit costs adjusted for worksharing. The adjustments were calculated in the same manner as the Periodicals worksharing adjustments calculated in USPS LR-I-94 and shown in Table 4a and 4b on pages 19a and 19b of USPS-T-28. The volumes and pounds by rate category and weight increment were provided in USPS LR-I-225 in response to interrogatory ANM/USPS-T28-8(c) and are also attached to this response.

The "presort cost avoidance" by weight increment is calculated by summing the product of the percentages of pieces by presort/density rate category and the sum of the mail processing and delivery cost differences of each presort/density rate category from the sum of ECR Basic mail processing and delivery costs summarized in Table 7 on page 29 of USPS T-28. The "difference from average " is calculated by subtracting the "presort cost avoidance" by weight increment from the average "presort cost avoidance."

The "average dropship cost avoidance" is calculated by summing the product of the number of pounds in each weight increment by presort/density rate category and the non-transportation-related savings calculated in Attachment C Table 1 of witness Crum's testimony (USPS-T-27) and, then dividing that sum by the number of pieces in each weight increment. The "difference from average " is calculated by subtracting the "average dropship cost avoidance" by weight increment from the average "average dropship cost avoidance." Non-transportation related dropship savings are used because transportation costs have been allocated to weight increment using a constant cost per pound (or cost per cubic foot) which does not recognize differences by ounce increment due to dropshipping.

Total adjusted costs can be calculated in a similar manner by following the above steps for letters and parcels.

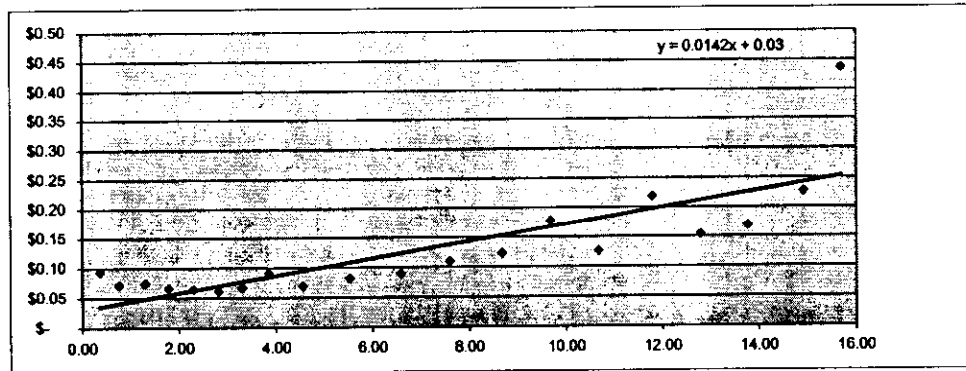
Std. A ECR Flats Test Year Unit Costs Adjusted for Worksharing by Detailed (1/2 ounce) Weight Increments

	0 to .5	.5 to 1.0	1.0 to 1.5	1.5 to 2	2 to 2.5	2.5 to 3	3 to 3.5	3.5 to 4	4 to 5	5 to 6	6 to 7	7 to 8	8 to 9	9 to 10
[1]volume	564,954,858	1,538,149,736	1,579,231,292	2,251,235,576	2,953,269,941	2,515,986,994	1,711,263,145	1,503,269,484	2,959,192,538	1,337,073,000	696,823,156	370,600,505	200,728,753	78,154,228
[2]pounds	13,117,053	73,465,544	128,948,795	251,250,884	424,269,234	441,644,110	352,650,441	361,616,825	843,906,989	462,267,161	287,191,633	176,288,105	108,751,201	47,256,234
[3]cubic feet (weight/density)	635,208	3,567,653	6,244,494	12,167,113	20,545,726	21,387,124	17,077,503	17,511,711	40,867,167	22,385,819	13,907,585	8,536,954	5,266,402	2,288,437
[4]total mp (3.1) tally	15,402	24,841	30,778	24,571	19,790	20,275	25,093	31,905	17,093	10,078	5,962	6,386	3,089	3,837
[5]window service (3.2) tally	197	537	643	787	1,032	998	598	526	1,034	467	243	129	70	27
[6]delivery in-office (6.1) tally	17,889	33,882	28,171	28,060	22,890	21,298	20,434	27,826	18,635	11,261	5,327	3,611	3,352	2,196
[7]delivery in-office (6.2) 6.1	3,585	6,790	5,646	5,623	4,587	4,268	4,095	5,576	3,734	2,257	1,067	724	672	440
[8]del. route (7.1) piece	877	2,387	2,451	3,494	4,583	3,905	2,656	3,333	2,075	2,075	1,081	575	312	121
[9]del. access (7.2) piece	822	2,238	2,298	3,276	4,298	3,661	2,490	2,188	4,306	1,946	1,014	539	292	114
[10]elem. load (7.3)shape&w	1,109	6,212	10,904	21,246	35,877	37,346	29,821	30,579	71,362	39,090	24,285	14,907	9,196	3,996
[11]del. support (7.4) sum&&	3,767	8,140	7,977	10,206	12,313	12,051	10,084	11,453	18,000	9,896	5,771	3,573	2,394	1,170
[12]vehicle service (8) cube	210	1,178	2,067	4,028	6,802	7,081	5,654	5,798	13,530	7,412	4,605	2,826	1,744	758
[13]delivery rural (10)shape&	7,790	21,210	21,777	31,044	40,724	34,694	23,598	20,729	40,806	18,438	9,609	5,110	2,768	1,078
[14]air/water trans. (14) weigh	4	21	37	73	123	128	102	105	245	134	83	51	32	14
[15]hwy/rail trans. (14)cube	171	956	1,677	3,268	5,518	5,744	4,587	4,704	10,977	6,013	3,735	2,293	1,415	615
[16]Other weight	83	463	813	1,584	2,675	2,784	2,223	2,280	5,321	2,914	1,811	1,111	686	298
[17]Total Cost	51,906	108,857	115,239	137,261	161,212	154,234	131,435	146,001	209,635	111,980	64,594	41,838	26,020	14,663
Adjusted Total Cost	52,773	110,112	117,941	149,371	188,847	153,419	113,670	136,855	203,788	109,784	62,203	40,459	24,675	13,886
[18]Total Unit Cost	\$ 0.092	\$ 0.071	\$ 0.073	\$ 0.061	\$ 0.055	\$ 0.061	\$ 0.077	\$ 0.097	\$ 0.071	\$ 0.084	\$ 0.093	\$ 0.113	\$ 0.130	\$ 0.188
worksharing adjustment	\$ 0.002	\$ 0.001	\$ 0.002	\$ 0.005	\$ 0.009	\$ (0.000)	\$ (0.010)	\$ (0.006)	\$ (0.002)	\$ (0.002)	\$ (0.003)	\$ (0.004)	\$ (0.007)	\$ (0.010)
adjusted unit cost	\$ 0.093	\$ 0.072	\$ 0.075	\$ 0.066	\$ 0.064	\$ 0.061	\$ 0.066	\$ 0.091	\$ 0.069	\$ 0.082	\$ 0.089	\$ 0.109	\$ 0.123	\$ 0.178
Marginal Cost Difference	\$	(0.021)	\$ 0.002	(0.012)	(0.006)	0.007	0.016	0.020	(0.026)	0.013	0.009	0.020	0.017	0.058

adj. flat unit cost < 3.0 oz. \$ 0.0677
 adj. flat unit cost > 3.0 oz. \$ 0.0818
 flat + parcel unit cost < 3.0 ounces \$ 0.0657
 flat + parcel unit cost > 3.0 ounces \$ 0.0883

adj. flat unit cost < 3.5 oz. \$ 0.0676
 adj. flat unit cost > 3.5 oz. \$ 0.0854
 flat+parcel unit cost < 3.5 ounces \$ 0.0674
 flat+parcel unit cost > 3.5 ounces \$ 0.0906

- 1-2: USPS LR-4-102
- 3: density (ft³/lb) * Weight
- 4: USPS LR-4-94
- 5: USPS LR-4-99
- 6: USPS LR-4-100
- 7: =[6]by oz/[6]total*[7]total
- 8&9: =[1]by oz/[1]total*[8&9]total
- 10&13: [10&13]total*distribution key*[2]by oz/[2]total
- 11: =SUM([6],[10]by oz)/SUM([6],[10]total)*[11]total
- 12&15: =[3]by oz/[3]total*[12&15]total
- 14&16: =[2]by oz/[2]total*[14&16]total
- 17: =SUM([4],[16])
- 18: [17]/[1]*1000



	10 to 11	11 to 12	12 to 13	13 to 14	14 to 15	15 to 16+	Total	Unit Cost (cents)	Dist. Key/ density
(1) volume	74,151,676	33,648,929	31,986,547	25,237,776	17,121,687	12,988,186	20,455,078,007		
(2) pounds	49,484,827	24,785,526	25,580,175	21,715,429	15,957,465	12,747,976	4,122,885,307		
(3) cubic feet (weight/density)	2,396,345	1,200,268	1,238,749	1,051,585	772,759	617,335	198,655,947		20.66 USPS-LR-MCR-13 Supplement
(4) total mp (3.1) tally	1,675	2,149	740	111	1,105	3,562	248,441	121457	Tally
(5) window service (3.2) tally	26	12	11	9	6	5	7,357	0.036	Tally
(6) delivery in-office (6.1) tally	413	1,171	436	820	424	253	248,349	1.214	Tally
(7) delivery in-office (6.2) 6.1	83	235	87	164	85	51	49,769	0.243	6.1
(8) del. route (7.1) piece	115	52	50	39	27	20	31,746	0.155	Volume
(9) del. access (7.2) piece	108	49	47	37	25	19	29,766	0.146	Volume
(10) elem. load (7.3) shape&w	4,184	2,096	2,163	1,836	1,349	1,078	348,639	1.704	64.17%
(11) del. support (7.4) sum&g	877	613	490	497	332	249	119,954	0.586	6.1 - 7.3
(12) vehicle service (8) cube	783	397	410	348	256	204	66,102	0.323	cube
(13) delivery rural (10) shape&	1,023	464	441	348	236	179	282,066	1.379	62.66%
(14) fairwater trans. (14) weight	14	7	7	6	5	4	1,186	0.006	weight
(15) drywater trans. (14) cube	644	322	333	282	208	166	53,626	0.262	cube
(16) Other weight	312	156	161	137	101	80	25,984	0.127	weight
(17) Total Cost	10,267	7,724	6,377	4,635	4,157	5,870	1,512,906	7.386	
(18) Total Unit Cost	0.138	0.230	0.188	0.184	0.243	0.452	0.074		
worksharing adjustment	\$(0.012)	\$(0.011)	\$(0.014)	\$(0.015)	\$(0.016)	\$(0.015)	\$		
adjusted unit cost	0.126	0.218	0.154	0.169	0.227	0.436	0.074		
Marginal Cost Difference	\$(0.049)	0.081	\$(0.061)	0.016	0.056	0.208			

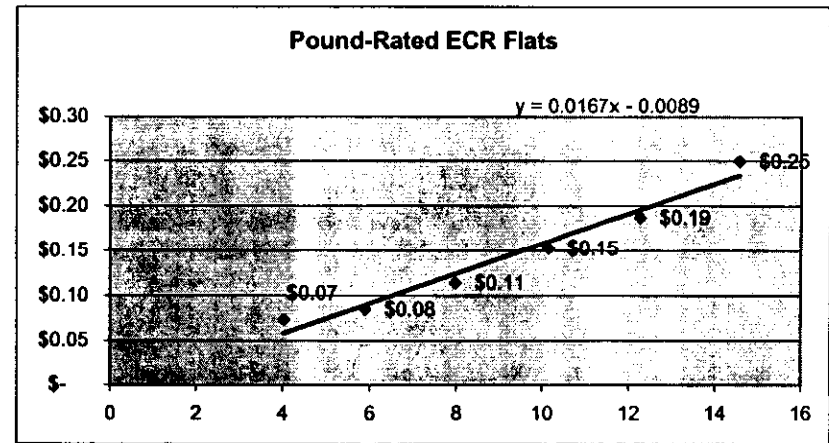
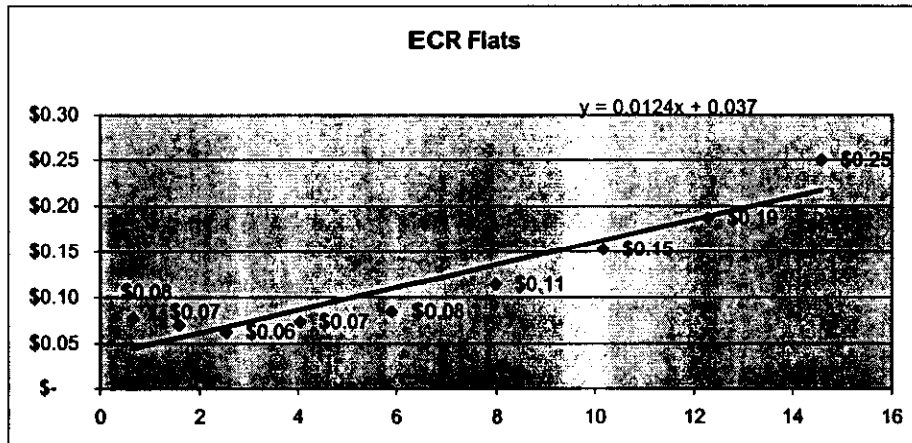
adj. flat unit cost < 3.0 oz
adj. flat unit cost > 3.0 oz
flat + parcel unit cc
flat + parcel unit cc

flat+parcel unit cost total 0.0757

- 1-2: USPS LR-I-102
- 3: density (lb/70)* Weight
- 4: USPS LR-I-64
- 5: USPS LR-I-69
- 6: USPS LR-I-100
- 7: = (6) by oz / (6) total / 7 total
- 8&9: = (1) by oz / (1) total / (6&9)k
- 10&13: = (10&13) total / distrib
- 11: = SUM (8) / (10) by oz / SUM
- 12&16: = (9) by oz / (10) total / 12&
- 14&16: = (2) by oz / (2) total / 14&
- 17: = SUM (4) / (16)
- 18: (17) / (1000)

Std. A ECR Flats Test Year Unit Costs Adjusted for Worksharing by Combined Weight Increments (from 3CECR flats detailed worksheet)

	0 to 1	1 to 2	2 to 3	3 to 5	5 to 7	7 to 9	9 to 11	11 to 13	over 13	Total
volume	2,103,104,594	3,830,466,868	5,469,256,935	6,173,725,167	2,033,896,156	571,329,258	152,305,904	65,635,475	55,357,650	20,455,078,007
pounds	86,582,596	380,199,679	865,913,345	1,558,174,255	749,458,794	285,039,307	96,740,761	50,365,700	50,420,870	4,122,895,307
cubic feet (weight/density)	4,192,862	18,411,607	41,932,850	75,456,380	36,293,404	13,803,356	4,684,783	2,439,017	2,441,689	199,655,947
all mp (3.1) tally	40,243	55,349	40,065	74,091	16,039	9,475	5,512	2,890	4,778	248,441
window service (3.2) tally	735	1,430	2,029	2,158	711	200	53	23	19	7,357
delivery in-office (6.1) tally	51,771	56,231	44,188	66,895	16,588	6,964	2,609	1,607	1,497	248,349
delivery in-office (6.2) 6.1	10,375	11,269	8,855	13,406	3,324	1,396	523	322	300	49,769
del. route (7.1) piece	3,264	5,945	8,488	9,582	3,157	887	236	102	86	31,746
del. access (7.2) piece	3,060	5,574	7,959	8,984	2,960	831	222	96	81	29,766
elem. load (7.3)shape&wt	7,322	32,150	73,223	131,762	63,376	24,103	8,181	4,259	4,264	348,639
del. support (7.4) sum6&7	11,907	18,183	24,364	39,537	15,667	5,967	2,047	1,104	1,079	119,854
vehicle service (8) cube	1,388	6,096	13,883	24,982	12,016	4,570	1,551	808	808	66,102
delivery rural (10)shape&pc	29,001	52,820	75,419	85,133	28,047	7,878	2,100	905	763	282,066
air/water trans. (14) weight	25	110	251	452	217	83	28	15	15	1,196
hwy/rail trans. (14)cube	1,126	4,945	11,263	20,267	9,748	3,707	1,258	655	656	53,626
Other weight	546	2,397	5,459	9,824	4,725	1,797	610	318	318	25,994
Total Cost	160,763	252,499	315,446	487,072	176,574	67,858	24,930	13,101	14,663	1,512,906
Total Unit Cost	\$ 0.076	\$ 0.066	\$ 0.058	\$ 0.079	\$ 0.087	\$ 0.119	\$ 0.164	\$ 0.200	\$ 0.265	\$ 0.074
worksharing adjustment	\$ 0.001	\$ 0.004	\$ 0.005	\$ (0.005)	\$ (0.002)	\$ (0.005)	\$ (0.011)	\$ (0.013)	\$ (0.015)	\$ 0
adjusted unit cost	\$ 0.077	\$ 0.070	\$ 0.063	\$ 0.074	\$ 0.085	\$ 0.114	\$ 0.153	\$ 0.187	\$ 0.250	\$ 0.074
Marginal Cost Difference		\$ (0.008)	\$ (0.007)	\$ 0.011	\$ 0.011	\$ 0.029	\$ 0.039	\$ 0.034	\$ 0.063	



Standard Mail (A) ECR Flat Weight Data
4 of 11

Response to ADVO/USPS-T28-10

Standard (A) Regular Rate PFY 1998 Flats Weight

	0-0.5 oz	0.5 oz - 1.0 oz	1.0 oz - 1.5 oz	1.5 oz - 2.0 oz	2.0 oz - 2.5 oz	2.5 oz - 3.0 oz	3.0 oz - 3.5 oz	3.5 oz - 4.0 oz	4.0 oz - 5.0 oz	5.0 oz - 6.0 oz
STD A BULK NONLTR ECR BASIC PIECE I	1,663,658	5,550,558	7,174,133	8,531,271	13,164,844	13,556,888	12,450,017	0	0	0
STD A BULK NONLTR ECR BASIC POUND	0	0	0	0	0	0	4,056,985	10,367,530	14,827,056	17,167,099
STD A BULK NONLTR ECR BASIC BMC PI	603,360	10,337,551	19,618,816	25,026,256	30,851,766	66,563,185	53,524,453	0	0	0
STD A BULK NONLTR ECR BASIC BMC PC	0	0	0	0	0	0	19,339,953	62,132,884	98,691,137	47,050,172
STD A BULK NONLTR ECR BASIC SCF PIE	4,561,869	21,466,324	35,959,523	64,643,120	82,709,020	161,224,867	128,368,343	0	0	0
STD A BULK NONLTR ECR BASIC SCF PO	0	0	0	0	0	0	61,972,412	175,155,373	380,738,181	200,741,513
STD A BULK NONLTR ECR BASIC DDU PI	362,714	1,185,464	1,666,607	3,751,985	4,757,975	3,471,657	2,133,235	0	0	0
STD A BULK NONLTR ECR BASIC DDU PC	0	0	0	0	0	0	1,217,174	3,637,585	6,269,651	5,208,621
ECR Basic	7,191,601	38,539,897	64,419,080	101,952,633	131,483,605	244,816,598	283,062,572	251,293,372	500,526,025	270,167,405
STD A BULK NONLTR ECR HIGH DENSITY	34,625	366,433	291,906	461,848	819,163	1,236,899	869,121	0	0	0
STD A BULK NONLTR ECR HIGH DENSITY	0	0	0	0	0	0	258,368	671,434	679,285	657,940
STD A BULK NONLTR ECR HIGH DENSITY	31,564	226,099	279,700	133,993	725,392	1,613,438	934,467	0	0	0
STD A BULK NONLTR ECR HIGH DENSITY	0	0	0	0	0	0	347,283	1,420,802	66,061	36,598
STD A BULK NONLTR ECR HIGH DENSITY	374,741	1,764,303	5,192,262	8,471,575	18,294,302	27,370,931	9,159,438	0	0	0
STD A BULK NONLTR ECR HIGH DENSITY	0	0	0	0	0	0	2,525,604	16,790,722	20,301,333	13,313,157
STD A BULK NONLTR ECR HIGH DENSITY	92,199	1,257,806	3,280,507	6,613,670	8,788,807	6,378,103	3,186,192	0	0	0
STD A BULK NONLTR ECR HIGH DENSITY	0	0	0	0	0	0	1,563,115	5,832,478	19,344,682	17,653,292
ECR High Density	533,129	3,614,642	9,044,376	15,681,086	28,627,664	36,599,371	18,843,587	24,715,436	40,391,361	31,660,987
STD A BULK NONLTR ECR SAT PIECE RA	920,882	4,172,362	3,744,069	3,752,916	3,888,045	3,706,225	1,857,978	0	0	0
STD A BULK NONLTR ECR SAT POUND R	0	0	0	0	0	0	1,100,437	3,211,799	5,033,878	4,051,063
STD A BULK NONLTR ECR SAT BMC PIEC	499,210	4,352,920	8,531,089	6,365,247	2,603,267	2,797,551	805,898	0	0	0
STD A BULK NONLTR ECR SAT BMC POU	0	0	0	0	0	0	481,343	624,187	537,885	239,884
STD A BULK NONLTR ECR SAT SCF PIEC	3,091,481	16,540,833	22,524,721	43,168,001	96,670,078	85,902,218	17,437,927	0	0	0
STD A BULK NONLTR ECR SAT SCF POU	0	0	0	0	0	0	8,713,754	25,761,963	53,868,387	28,394,284
STD A BULK NONLTR ECR SAT DDU PIEC	1,047,922	7,181,182	22,328,867	83,533,106	166,403,740	73,450,749	15,938,959	0	0	0
STD A BULK NONLTR ECR SAT DDU POU	0	0	0	0	0	0	8,902,393	60,618,749	254,304,755	133,644,972
ECR Saturation	5,559,495	32,247,297	57,128,747	136,819,271	269,565,130	165,856,743	55,238,689	90,216,699	313,744,904	166,330,204
ECR Nondropship	2,619,165	10,089,354	11,210,108	12,746,035	17,872,052	18,500,011	20,592,905	14,250,763	20,540,219	21,876,103
ECR BMC Dropship	1,134,133	14,916,570	28,429,606	31,525,497	34,180,425	70,974,174	75,433,397	64,177,873	99,295,082	47,326,654
ECR SCF Dropship	8,028,092	39,771,461	63,676,507	116,282,696	197,673,400	274,498,017	228,177,478	217,708,058	454,907,901	242,448,954
ECR DDU Dropship	1,502,835	9,624,452	27,275,981	93,898,762	179,950,522	83,300,509	32,941,068	70,088,812	279,919,088	156,506,885

Standard Mail (A) ECR Flat Weight Data
5 of 11

Response to ADVO/USPS-T28-10

	0 -0.5 oz	0.5 oz - 1.0 oz	1.0 oz - 1.5 oz	1.5 oz - 2.0 oz	2.0 oz - 2.5 oz	2.5 oz - 3.0 oz	3.0 oz - 3.5 oz	3.5 oz - 4.0 oz	4.0 oz - 5.0 oz	5.0 oz - 6.0 oz
ECR Nondropship	2,619,165	10,089,354	11,210,108	12,746,035	17,872,052	18,500,011	20,592,905	14,250,763	20,540,219	21,876,103
	20%	14%	9%	5%	4%	4%	6%	4%	2%	5%
ECR BMC Dropship	1,134,133	14,916,570	28,429,606	31,525,497	34,180,425	70,974,174	75,433,397	64,177,873	99,295,082	47,326,654
0.0182	9%	20%	22%	12%	8%	16%	21%	18%	12%	10%
ECR SCF Dropship	8,028,092	39,771,461	63,676,507	116,282,696	197,673,400	274,498,017	228,177,478	217,708,058	454,907,901	242,448,954
0.0300	60%	53%	49%	46%	46%	61%	64%	59%	53%	52%
ECR DDU Dropship	1,502,835	9,624,452	27,275,981	93,898,762	179,950,522	83,300,509	32,941,068	70,088,812	279,919,088	156,506,885
0.0399	11%	13%	21%	37%	42%	19%	9%	19%	33%	33%
total	13,284,225	74,401,836	130,592,202	254,452,989	429,676,398	447,272,711	357,144,848	366,225,506	854,662,290	468,158,596
total dropship cost avoidance	\$ 3,214	\$ 18,486	\$ 35,160	\$ 78,088	\$ 137,323	\$ 128,504	\$ 95,326	\$ 104,958	\$ 266,232	\$ 143,794
avg dropship cost avoidance per pound	\$ 0.0002	\$ 0.0002	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003
difference from average	\$ 0.0001	\$ 0.0000	\$ 0.0000	\$ (0.0000)	\$ (0.0000)	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ (0.0000)	\$ (0.0000)

	0 to 1	1 to 2	2 to 3	3 to 5	5 to 7	7 to 9	9 to 11	11 to 13	over 13	Total
ECR Nondropship	12,708,519	23,956,144	36,372,063	55,383,888	40,152,337	10,609,605	5,637,638	3,447,078	2,977,133	191,244,404
	14%	6%	4%	4%	5%	4%	6%	7%	6%	5%
ECR BMC Dropship	16,050,703	59,955,102	105,154,599	238,906,352	74,787,114	29,774,570	10,224,727	7,643,096	5,628,137	548,124,401
0.0182	18%	16%	12%	15%	10%	10%	10%	15%	11%	13%
ECR SCF Dropship	47,799,553	179,959,203	472,171,417	900,793,437	397,884,635	163,070,457	67,106,184	33,699,251	39,639,016	2,302,123,152
0.0300	55%	47%	54%	57%	52%	56%	68%	66%	78%	55%
ECR DDU Dropship	11,127,287	121,174,743	263,251,032	382,948,968	246,186,300	85,217,402	15,005,140	6,218,168	2,819,180	1,133,948,220
0.0399	13%	31%	30%	24%	32%	30%	15%	12%	6%	27%
total	87,686,061	385,045,192	876,949,110	1,578,032,645	759,010,386	288,672,034	97,973,689	51,007,594	51,063,467	4,175,440,177
total dropship cost avoidance	\$ 21,701	\$ 113,248	\$ 265,827	\$ 466,516	\$ 231,205	\$ 88,342	\$ 27,980	\$ 13,982	\$ 14,041	\$ 1,242,841
avg dropship cost avoidance per pound	\$ 0.0002	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003
difference from average	\$ 0.0001	\$ 0.0000	\$ (0.0000)	\$ 0.0000	\$ (0.0000)	\$ (0.0000)	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ -

Standard Mail (A) ECR Flat Weight Data
6 of 11

Response to ADVO/USPS-T28-10

Standard (A) Regular Rate PFY 1998 Flats

	6.0 oz - 7.0 oz	7.0 oz - 8.0 oz	8.0 oz - 9.0 oz	9.0 oz - 10.0 oz	10.0 oz - 11.0 oz	11.0 oz - 12.0 oz	12.0 oz - 13.0 oz	13.0 oz - 14.0 oz	14.0 oz - 15.0 oz	15.0 oz - 16.0 oz	Total Pieces
STD A BULK NONLTR ECR BASIC PIECE F	0	0	0	0	0	0	0	0	0	0	62,091,370
STD A BULK NONLTR ECR BASIC POUND	15,095,957	4,035,233	3,105,611	2,135,093	1,861,959	1,420,390	1,177,053	954,684	485,723	829,010	77,519,385
STD A BULK NONLTR ECR BASIC BMC PII	0	0	0	0	0	0	0	0	0	0	206,525,386
STD A BULK NONLTR ECR BASIC BMC PC	27,429,953	17,392,526	12,347,651	5,893,703	4,231,542	3,773,321	3,751,234	1,628,905	2,137,641	1,658,503	307,459,125
STD A BULK NONLTR ECR BASIC SCF PII	0	0	0	0	0	0	0	0	0	0	498,933,067
STD A BULK NONLTR ECR BASIC SCF PC	133,717,529	86,760,218	59,290,526	27,188,658	34,581,118	14,165,508	17,807,615	17,167,105	12,324,501	9,263,621	1,230,873,878
STD A BULK NONLTR ECR BASIC DDU PII	0	0	0	0	0	0	0	0	0	0	17,329,638
STD A BULK NONLTR ECR BASIC DDU PC	4,241,428	3,759,409	2,522,647	1,665,101	1,540,195	979,805	498,807	242,359	184,435	156,988	32,124,205
ECR Basic	180,484,868	111,947,386	77,266,435	36,882,554	42,214,815	20,339,024	23,234,709	19,993,053	15,132,300	11,908,121	2,432,856,053
STD A BULK NONLTR ECR HIGH DENSITY	0	0	0	0	0	0	0	0	0	0	4,079,994
STD A BULK NONLTR ECR HIGH DENSITY	463,384	361,248	208,073	98,261	56,589	20,609	11,450	4,428	3,666	3,807	3,498,544
STD A BULK NONLTR ECR HIGH DENSITY	0	0	0	0	0	0	0	0	0	0	3,944,654
STD A BULK NONLTR ECR HIGH DENSITY	1,016	4,945	382	0	1,296	0	0	0	0	0	1,878,383
STD A BULK NONLTR ECR HIGH DENSITY	0	0	0	0	0	0	0	0	0	0	70,627,553
STD A BULK NONLTR ECR HIGH DENSITY	7,288,627	4,711,858	2,884,621	1,856,043	1,178,062	602,808	349,739	330,240	120,273	102,927	72,356,014
STD A BULK NONLTR ECR HIGH DENSITY	0	0	0	0	0	0	0	0	0	0	29,597,284
STD A BULK NONLTR ECR HIGH DENSITY	11,871,680	9,404,350	5,776,040	4,394,609	2,470,190	1,600,065	775,049	760,023	196,867	226,839	81,869,279
ECR High Density	19,624,707	14,482,401	8,869,116	6,348,913	3,706,137	2,223,482	1,136,238	1,094,691	320,806	333,574	267,851,705
STD A BULK NONLTR ECR SAT PIECE RA	0	0	0	0	0	0	0	0	0	0	22,042,476
STD A BULK NONLTR ECR SAT POUND R	2,716,893	1,701,355	1,198,084	832,566	653,170	488,036	329,539	266,289	199,499	230,026	22,012,635
STD A BULK NONLTR ECR SAT BMC PIEC	0	0	0	0	0	0	0	0	0	0	25,955,182
STD A BULK NONLTR ECR SAT BMC POU	29,491	25,868	3,198	40,253	57,932	34,753	83,788	54,871	105,654	42,563	2,361,670
STD A BULK NONLTR ECR SAT SCF PIEC	0	0	0	0	0	0	0	0	0	0	285,335,260
STD A BULK NONLTR ECR SAT SCF POU	14,429,525	6,679,998	2,743,235	1,412,727	889,575	498,179	275,402	150,913	105,825	73,611	143,997,381
STD A BULK NONLTR ECR SAT DDU PIEC	0	0	0	0	0	0	0	0	0	0	369,884,525
STD A BULK NONLTR ECR SAT DDU POU	73,566,306	43,697,827	20,057,130	2,341,485	2,593,562	1,517,934	846,508	432,367	296,753	322,550	603,143,290
ECR Saturation	90,742,215	52,105,049	24,001,647	4,627,031	4,194,239	2,538,902	1,535,238	904,441	707,731	668,750	1,474,732,419
	6.0 oz - 7.0 oz	7.0 oz - 8.0 oz	8.0 oz - 9.0 oz	9.0 oz - 10.0 oz	10.0 oz - 11.0 oz	11.0 oz - 12.0 oz	12.0 oz - 13.0 oz	13.0 oz - 14.0 oz	14.0 oz - 15.0 oz	15.0 oz - 16.0 oz	Pieces
ECR Nondropship	18,276,234	6,097,837	4,511,768	3,065,920	2,571,718	1,929,035	1,518,042	1,225,401	688,888	1,062,843	191,244,404
ECR BMC Dropship	27,460,460	17,423,340	12,351,230	5,933,957	4,290,770	3,808,074	3,835,022	1,683,777	2,243,295	1,701,066	548,124,401
ECR SCF Dropship	155,435,681	98,152,074	64,918,383	30,457,427	36,648,756	15,266,495	18,432,757	17,648,258	12,550,599	9,440,160	2,302,123,152
ECR DDU Dropship	89,679,415	56,861,585	28,355,816	8,401,194	6,603,946	4,097,804	2,120,364	1,434,749	678,055	706,376	1,133,948,220

Standard Mail (A) ECR Flat Weight Data
7 of 11

Response to ADVO/USPS-T28-10

	6.0 oz - 7.0 oz	7.0 oz - 8.0 oz	8.0 oz - 9.0 oz	9.0 oz - 10.0 oz	10.0 oz - 11.0 oz	11.0 oz - 12.0 oz	12.0 oz - 13.0 oz	13.0 oz - 14.0 oz	14.0 oz - 15.0 oz	15.0 oz - 16.0 oz	Total Pieces
	6 to 7	7 to 8	8 to 9	9 to 10	10 to 11	11 to 12	12 to 13	13 to 14	14 to 15	15 to 16	total
ECR Nondropship	18,276,234	6,097,837	4,511,768	3,065,920	2,571,718	1,929,035	1,518,042	1,225,401	688,888	1,062,843	191,244,404
	6%	3%	4%	6%	5%	8%	6%	6%	4%	8%	5%
ECR BMC Dropship	27,460,460	17,423,340	12,351,230	5,933,957	4,290,770	3,808,074	3,835,022	1,683,777	2,243,295	1,701,066	548,124,401
0.0182	9%	10%	11%	12%	9%	15%	15%	8%	14%	13%	13%
ECR SCF Dropship	155,435,681	98,152,074	64,918,383	30,457,427	36,648,756	15,266,495	18,432,757	17,648,258	12,550,599	9,440,160	2,302,123,152
0.0300	53%	55%	59%	64%	73%	61%	71%	80%	78%	73%	55%
ECR DDU Dropship	89,679,415	56,861,585	28,355,816	8,401,194	6,603,946	4,097,804	2,120,364	1,434,749	678,055	706,376	1,133,948,220
0.0399	31%	32%	26%	18%	13%	16%	8%	7%	4%	5%	27%
total	290,851,790	178,534,836	110,137,197	47,858,498	50,115,190	25,101,408	25,906,186	21,992,185	16,160,837	12,910,445	4,175,440,177
total dropship cost avoidance	\$ 87,411	\$ 55,304	\$ 33,037	\$ 13,569	\$ 14,411	\$ 6,908	\$ 7,074	\$ 6,173	\$ 4,444	\$ 3,423	\$ 1,242,841
avg dropship cost avoidance per pound	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003
difference from average	\$ (0.0000)	\$ (0.0000)	\$ (0.0000)	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ -

ECR Nondropship

ECR BMC Dropship

0.0182

ECR SCF Dropship

0.0300

ECR DDU Dropship

0.0399

total

total dropship cost avoidance

avg dropship cost avoidance per pound

difference from average

Standard Mail (A) ECR Flat Volume Data
8 of 11

Response to ADVO/USPS-T28-10

Standard (A) Regular Rate PFY 1998 Flat Volume

	0 - 0.5 oz	0.5 oz - 1.0 oz	1.0 oz - 1.5 oz	1.5 oz - 2.0 oz	2.0 oz - 2.5 oz	2.5 oz - 3.0 oz	3.0 oz - 3.5 oz	3.5 oz - 4.0 oz	4.0 oz - 5.0 oz	5.0 oz - 6.0 oz
STD A BULK NONLTR ECR BASIC PIECE RATE	64,141,699	116,130,181	90,872,892	76,260,596	92,827,380	76,955,298	61,937,196	0	0	0
STD A BULK NONLTR ECR BASIC POUND RATE	0	0	0	0	0	0	18,625,349	43,490,439	51,877,067	48,677,589
STD A BULK NONLTR ECR BASIC BMC PIECE RATE	24,396,501	220,685,172	239,215,677	227,552,058	213,892,018	374,724,032	265,628,783	0	0	0
STD A BULK NONLTR ECR BASIC BMC POUND RATE	0	0	0	0	0	0	88,835,857	259,157,509	346,983,868	136,096,872
STD A BULK NONLTR ECR BASIC SCF PIECE RATE	182,279,318	441,815,052	435,453,218	580,906,349	574,292,843	904,581,155	636,411,590	0	0	0
STD A BULK NONLTR ECR BASIC SCF POUND RATE	0	0	0	0	0	0	285,262,024	727,891,133	1,340,879,217	580,661,643
STD A BULK NONLTR ECR BASIC DDU PIECE RATE	14,605,703	25,930,482	20,742,549	33,631,907	33,106,490	19,929,637	10,601,872	0	0	0
STD A BULK NONLTR ECR BASIC DDU POUND RATE	0	0	0	0	0	0	5,616,221	15,195,360	21,917,609	14,902,602
ECR Basic	285,423,221	804,560,887	786,284,336	918,350,911	914,118,731	1,376,190,123	1,372,918,893	1,045,734,441	1,761,657,761	780,338,706
STD A BULK NONLTR ECR HIGH DENSITY PIECE RATE	1,473,328	8,234,654	3,789,701	4,154,061	5,590,608	6,945,603	4,367,854	0	0	0
STD A BULK NONLTR ECR HIGH DENSITY POUND RATE	0	0	0	0	0	0	1,178,878	2,852,380	2,335,308	1,864,390
STD A BULK NONLTR ECR HIGH DENSITY BMC PIECE RATE	1,634,784	5,163,623	3,468,374	1,219,841	5,062,261	8,964,341	4,721,622	0	0	0
STD A BULK NONLTR ECR HIGH DENSITY BMC POUND RATE	0	0	0	0	0	0	1,592,033	6,043,612	240,837	109,408
STD A BULK NONLTR ECR HIGH DENSITY SCF PIECE RATE	19,502,794	39,771,647	61,307,127	76,830,968	126,568,723	155,678,030	46,068,893	0	0	0
STD A BULK NONLTR ECR HIGH DENSITY SCF POUND RATE	0	0	0	0	0	0	11,559,238	70,596,096	70,562,910	38,382,381
STD A BULK NONLTR ECR HIGH DENSITY DDU PIECE RATE	5,615,079	25,490,278	40,482,690	59,646,057	61,258,383	36,852,543	15,828,817	0	0	0
STD A BULK NONLTR ECR HIGH DENSITY DDU POUND RATE	0	0	0	0	0	0	7,189,912	24,234,013	67,286,763	50,882,742
ECR High Density	28,225,985	78,660,202	109,047,892	141,850,927	198,479,975	208,440,517	92,507,247	103,726,100	140,425,818	91,238,920
STD A BULK NONLTR ECR SAT PIECE RATE	36,073,820	88,189,159	47,880,375	34,107,776	27,064,567	21,214,969	9,206,469	0	0	0
STD A BULK NONLTR ECR SAT POUND RATE	0	0	0	0	0	0	5,054,892	13,433,701	17,591,578	11,562,403
STD A BULK NONLTR ECR SAT BMC PIECE RATE	23,202,356	96,628,133	101,893,960	57,205,987	18,210,004	16,014,978	3,971,235	0	0	0
STD A BULK NONLTR ECR SAT BMC POUND RATE	0	0	0	0	0	0	2,199,175	2,634,147	1,906,202	700,697
STD A BULK NONLTR ECR SAT SCF PIECE RATE	142,392,381	344,689,156	283,075,437	394,882,739	670,804,341	494,867,722	87,390,196	0	0	0
STD A BULK NONLTR ECR SAT SCF POUND RATE	0	0	0	0	0	0	40,085,198	107,220,965	188,400,110	81,910,052
STD A BULK NONLTR ECR SAT DDU PIECE RATE	56,837,249	145,025,384	271,176,047	733,528,452	1,162,230,723	431,324,066	78,826,268	0	0	0
STD A BULK NONLTR ECR SAT DDU POUND RATE	0	0	0	0	0	0	40,913,026	249,678,778	886,924,950	388,362,753
ECR Saturation	258,505,806	674,531,832	704,025,819	1,219,724,954	1,878,309,635	963,421,735	267,646,459	372,967,591	1,094,822,840	482,535,906

	0 - 0.5 oz	0.5 oz - 1.0 oz	1.0 oz - 1.5 oz	1.5 oz - 2.0 oz	2.0 oz - 2.5 oz	2.5 oz - 3.0 oz	3.0 oz - 3.5 oz	3.5 oz - 4.0 oz	4.0 oz - 5.0 oz	5.0 oz - 6.0 oz
ECR Basic	285,423,221	804,560,887	786,284,336	918,350,911	914,118,731	1,376,190,123	1,372,918,893	1,045,734,441	1,761,657,761	780,338,706
ECR High Density	28,225,985	78,660,202	109,047,892	141,850,927	198,479,975	208,440,517	92,507,247	103,726,100	140,425,818	91,238,920
ECR Saturation	258,505,806	674,531,832	704,025,819	1,219,724,954	1,878,309,635	963,421,735	267,646,459	372,967,591	1,094,822,840	482,535,906
total ecr	572,155,012	1,557,752,921	1,599,358,046	2,279,926,792	2,990,908,341	2,548,052,375	1,733,072,600	1,522,428,132	2,996,906,419	1,354,113,532

	0 - 0.5 oz	0.5 oz - 1.0 oz	1.0 oz - 1.5 oz	1.5 oz - 2.0 oz	2.0 oz - 2.5 oz	2.5 oz - 3.0 oz	3.0 oz - 3.5 oz	3.5 oz - 4.0 oz	4 to 5	5 to 6
ECR Basic	285,423,221	804,560,887	786,284,336	918,350,911	914,118,731	1,376,190,123	1,372,918,893	1,045,734,441	1,761,657,761	780,338,706
ECR High Density	28,225,985	78,660,202	109,047,892	141,850,927	198,479,975	208,440,517	92,507,247	103,726,100	140,425,818	91,238,920
ECR Saturation	258,505,806	674,531,832	704,025,819	1,219,724,954	1,878,309,635	963,421,735	267,646,459	372,967,591	1,094,822,840	482,535,906
Total ECR	572,155,012	1,557,752,921	1,599,358,046	2,279,926,792	2,990,908,341	2,548,052,375	1,733,072,600	1,522,428,132	2,996,906,419	1,354,113,532

Standard Mail (A) ECR Flat Volume Data
9 of 11

Response to ADVO/USPS-T28-10

	0 -0.5 oz	0.5 oz - 1.0 oz	1.0 oz - 1.5 oz	1.5 oz - 2.0 oz	2.0 oz - 2.5 oz	2.5 oz - 3.0 oz	3.0 oz - 3.5 oz	3.5 oz - 4.0 oz	4.0 oz - 5.0 oz	5.0 oz - 6.0 oz
Presort Cost avoidance	\$ 0.0200	\$ 0.0193	\$ 0.0202	\$ 0.0238	\$ 0.0278	\$ 0.0181	\$ 0.0081	\$ 0.0122	\$ 0.0164	\$ 0.0168
difference from average	\$ 0.0016	\$ 0.0009	\$ 0.0017	\$ 0.0054	\$ 0.0093	\$ (0.0003)	\$ (0.0104)	\$ (0.0062)	\$ (0.0020)	\$ (0.0017)
avg dropship cost avoidance	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0001	\$ 0.0001	\$ 0.0001	\$ 0.0000	\$ 0.0001	\$ 0.0001
difference from average	\$ (0.0001)	\$ (0.0000)	\$ (0.0000)	\$ (0.0000)	\$ 0.0000	\$ (0.0000)	\$ (0.0000)	\$ (0.0000)	\$ 0.0000	\$ 0.0000
total difference from average	\$ 0.0015	\$ 0.0008	\$ 0.0017	\$ 0.0054	\$ 0.0094	\$ (0.0003)	\$ (0.0104)	\$ (0.0062)	\$ (0.0020)	\$ (0.0016)

	0 to 1	1 to 2	2 to 3	3 to 5	5 to 7	7 to 9	9 to 11	11 to 13	over 13	
ECR Basic	1,089,984,108	1,704,635,247	2,290,308,855	4,180,311,095	1,218,325,283	377,165,609	124,214,500	56,637,818	51,615,774	11,093,198,289
	0	51%	44%	41%	67%	59%	81%	85%	92%	54%
ECR High Density	106,886,186	250,898,819	406,920,492	336,659,165	138,955,702	46,831,892	16,098,479	4,459,434	1,963,363	1,309,673,532
	3.352	5%	6%	7%	5%	7%	8%	10%	7%	6%
ECR Saturation	933,037,638	1,923,750,773	2,841,731,370	1,735,436,891	702,536,471	154,613,150	13,934,010	5,374,724	2,484,026	8,312,899,054
	4.068	44%	50%	51%	28%	34%	27%	9%	8%	40%
Total ECR	2,129,907,932	3,879,284,838	5,538,960,716	6,252,407,151	2,059,817,457	578,610,651	154,246,990	66,471,977	56,063,164	20,715,770,875
Presort Cost avoidance	\$ 0.0195	\$ 0.0223	\$ 0.0233	\$ 0.0131	\$ 0.0161	\$ 0.0136	\$ 0.0072	\$ 0.0055	\$ 0.0030	\$ 0.0184
difference from average	\$ 0.0011	\$ 0.0039	\$ 0.0049	\$ (0.0053)	\$ (0.0023)	\$ (0.0049)	\$ (0.0113)	\$ (0.0129)	\$ (0.0155)	\$ -
avg dropship cost avoidance per piece	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0001	\$ 0.0001	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0003	\$ 0.0001
difference from average	\$ (0.0000)	\$ (0.0000)	\$ (0.0000)	\$ 0.0000	\$ 0.0001	\$ 0.0001	\$ 0.0001	\$ 0.0002	\$ 0.0002	\$ -
total difference from average	\$ 0.0010	\$ 0.0039	\$ 0.0049	\$ (0.0053)	\$ (0.0023)	\$ (0.0048)	\$ (0.0111)	\$ (0.0128)	\$ (0.0153)	\$ -

Standard Mail (A) ECR Flat Volume Data
10 of 11

Response to ADVO/USPS-T28-10

Standard (A) Regular Rate PFY 1998 Flat Volume

	6.0 oz - 7.0 oz	7.0 oz - 8.0 oz	8.0 oz - 9.0 oz	9.0 oz - 10.0 oz	10.0 oz - 11.0 oz	11.0 oz - 12.0 oz	12.0 oz - 13.0 oz	13.0 oz - 14.0 oz	14.0 oz - 15.0 oz	15.0 oz - 16.0 oz	Total Pieces
STD A BULK NONLTR ECR BASIC PIECE RATE	0	0	0	0	0	0	0	0	0	0	579,125,243
STD A BULK NONLTR ECR BASIC POUND RATE	37,420,097	8,476,651	5,711,688	3,536,837	2,786,938	1,926,598	1,471,321	1,108,126	523,044	841,379	226,473,124
STD A BULK NONLTR ECR BASIC BMC PIECE RATE	0	0	0	0	0	0	0	0	0	0	1,566,094,242
STD A BULK NONLTR ECR BASIC BMC POUND RATE	66,497,806	36,265,405	22,753,329	9,764,307	6,340,436	5,086,581	4,697,706	1,890,823	2,293,555	1,693,551	988,357,606
STD A BULK NONLTR ECR BASIC SCF PIECE RATE	0	0	0	0	0	0	0	0	0	0	3,755,739,525
STD A BULK NONLTR ECR BASIC SCF POUND RATE	323,765,546	182,319,455	109,125,619	44,905,099	51,821,786	19,241,890	22,246,324	19,957,999	13,209,581	9,457,688	3,730,745,005
STD A BULK NONLTR ECR BASIC DDU PIECE RATE	0	0	0	0	0	0	0	0	0	0	158,548,640
STD A BULK NONLTR ECR BASIC DDU POUND RATE	10,303,128	7,864,345	4,649,118	2,753,444	2,305,653	1,342,396	625,001	280,939	200,202	158,886	88,114,905
ECR Basic	437,986,578	234,925,856	142,239,753	60,959,687	63,254,813	27,597,465	29,040,353	23,237,888	16,226,383	12,151,504	11,093,198,289
STD A BULK NONLTR ECR HIGH DENSITY PIECE RATE	0	0	0	0	0	0	0	0	0	0	34,555,809
STD A BULK NONLTR ECR HIGH DENSITY POUND RATE	1,111,703	754,135	384,886	162,549	84,671	27,928	14,218	5,118	4,065	3,930	10,784,158
STD A BULK NONLTR ECR HIGH DENSITY BMC PIECE RATE	0	0	0	0	0	0	0	0	0	0	30,234,846
STD A BULK NONLTR ECR HIGH DENSITY BMC POUND RATE	2,538	10,232	701	0	1,979	0	0	0	0	0	8,001,338
STD A BULK NONLTR ECR HIGH DENSITY SCF PIECE RATE	0	0	0	0	0	0	0	0	0	0	525,728,181
STD A BULK NONLTR ECR HIGH DENSITY SCF POUND RATE	17,847,596	9,961,413	5,358,095	3,101,427	1,767,682	823,999	439,790	384,093	130,540	103,740	231,018,999
STD A BULK NONLTR ECR HIGH DENSITY DDU PIECE RATE	0	0	0	0	0	0	0	0	0	0	245,173,847
STD A BULK NONLTR ECR HIGH DENSITY DDU POUND RATE	28,754,945	19,704,615	10,657,815	7,285,986	3,694,186	2,182,165	971,334	886,711	214,873	230,294	224,176,353
ECR High Density	47,716,781	30,430,395	16,401,497	10,549,962	5,548,517	3,034,091	1,425,343	1,275,921	349,478	337,964	1,309,673,532
STD A BULK NONLTR ECR SAT PIECE RATE	0	0	0	0	0	0	0	0	0	0	263,737,135
STD A BULK NONLTR ECR SAT POUND RATE	6,578,045	3,558,813	2,212,823	1,375,267	974,238	666,521	415,125	303,981	216,674	231,805	64,175,866
STD A BULK NONLTR ECR SAT BMC PIECE RATE	0	0	0	0	0	0	0	0	0	0	317,126,652
STD A BULK NONLTR ECR SAT BMC POUND RATE	72,642	54,202	5,927	67,314	88,602	47,986	105,409	62,448	113,341	42,910	8,101,003
STD A BULK NONLTR ECR SAT SCF PIECE RATE	0	0	0	0	0	0	0	0	0	0	2,418,101,972
STD A BULK NONLTR ECR SAT SCF POUND RATE	35,263,374	14,121,843	5,086,475	2,333,305	1,330,210	680,077	346,011	175,356	115,024	73,980	477,141,979
STD A BULK NONLTR ECR SAT DDU PIECE RATE	0	0	0	0	0	0	0	0	0	0	2,878,948,189
STD A BULK NONLTR ECR SAT DDU POUND RATE	178,086,505	92,232,572	37,340,497	3,864,741	3,900,332	2,051,632	1,061,963	503,828	318,998	325,681	1,885,566,258
ECR Saturation	220,000,566	109,967,429	44,645,721	7,640,627	6,293,383	3,446,216	1,928,509	1,045,613	764,037	674,376	8,312,899,054

	6.0 oz - 7.0 oz	7.0 oz - 8.0 oz	8.0 oz - 9.0 oz	9.0 oz - 10.0 oz	10.0 oz - 11.0 oz	11.0 oz - 12.0 oz	12.0 oz - 13.0 oz	13.0 oz - 14.0 oz	14.0 oz - 15.0 oz	15.0 oz - 16.0 oz	Pieces
ECR Basic	437,986,578	234,925,856	142,239,753	60,959,687	63,254,813	27,597,465	29,040,353	23,237,888	16,226,383	12,151,504	11,093,198,289
ECR High Density	47,716,781	30,430,395	16,401,497	10,549,962	5,548,517	3,034,091	1,425,343	1,275,921	349,478	337,964	1,309,673,532
ECR Saturation	220,000,566	109,967,429	44,645,721	7,640,627	6,293,383	3,446,216	1,928,509	1,045,613	764,037	674,376	8,312,899,054
total ecr	705,703,925	375,323,680	203,286,971	79,150,277	75,096,713	34,077,773	32,394,204	25,559,423	17,339,897	13,163,844	20,715,770,875

	6 to 7	7 to 8	8 to 9	9 to 10	10 to 11	11 to 12	12 to 13	13 to 14	14 to 15	15 to 16	total
ECR Basic	437,986,578	234,925,856	142,239,753	60,959,687	63,254,813	27,597,465	29,040,353	23,237,888	16,226,383	12,151,504	11,093,198,289
	0	62%	63%	70%	77%	84%	90%	91%	94%	92%	54%
ECR High Density	47,716,781	30,430,395	16,401,497	10,549,962	5,548,517	3,034,091	1,425,343	1,275,921	349,478	337,964	1,309,673,532
	3.352	7%	8%	8%	13%	7%	4%	5%	2%	3%	6%
ECR Saturation	220,000,566	109,967,429	44,645,721	7,640,627	6,293,383	3,446,216	1,928,509	1,045,613	764,037	674,376	8,312,899,054
	4.068	31%	29%	22%	10%	8%	6%	4%	4%	5%	40%
Total ECR	705,703,925	375,323,680	203,286,971	79,150,277	75,096,713	34,077,773	32,394,204	25,559,423	17,339,897	13,163,844	20,715,770,875

Standard Mail (A) ECR Flat Volume Data
11 of 11

Response to ADVO/USPS-T28-10

	6.0 oz - 7.0 oz	7.0 oz - 8.0 oz	8.0 oz - 9.0 oz	9.0 oz - 10.0 oz	10.0 oz - 11.0 oz	11.0 oz - 12.0 oz	12.0 oz - 13.0 oz	13.0 oz - 14.0 oz	14.0 oz - 15.0 oz	15.0 oz - 16.0 oz	Total Pieces
Presort Cost avoidance	\$ 0.0149	\$ 0.0146	\$ 0.0116	\$ 0.0084	\$ 0.0059	\$ 0.0071	\$ 0.0039	\$ 0.0033	\$ 0.0025	\$ 0.0029	0.0184
difference from average	\$ (0.0035)	\$ (0.0038)	\$ (0.0068)	\$ (0.0100)	\$ (0.0126)	\$ (0.0113)	\$ (0.0145)	\$ (0.0151)	\$ (0.0160)	\$ (0.0155)	-
avg dropship cost avoidance	\$ 0.0001	\$ 0.0001	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0003	\$ 0.0003	0.0001
difference from average	\$ 0.0001	\$ 0.0001	\$ 0.0001	\$ 0.0001	\$ 0.0001	\$ 0.0001	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0002	-
total difference from average	\$ (0.0034)	\$ (0.0037)	\$ (0.0067)	\$ (0.0099)	\$ (0.0124)	\$ (0.0112)	\$ (0.0144)	\$ (0.0149)	\$ (0.0158)	\$ (0.0153)	

ECR Basic

0

ECR High Density

3.352

ECR Saturation

4.068

Total ECR

Presort Cost avoidance
difference from average
avg dropship cost avoidance per piece
difference from average
total difference from average

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS DANIEL TO
INTERROGATORIES OF ADVO, INC.**

ADVO/USPS-T28-11. In Table 7 at page 29 of your testimony, you show ECR letter-nonletter unit costs by density tier (Basic, High Density, and Saturation). With respect to these unit costs, please answer the following:

- (a) Please provide for each density tier the average weight per piece (i) for letters and (ii) for nonletters.
- (b) Please confirm that for each density tier, nonletters have a higher average weight per piece than letters.
- (c) Please provide for each density tier the percentage of ECR nonletters that weigh more than the breakpoint. If a precise percentage is not available, please provide the closest estimate, such as the percentage of pieces weighing more than 3.5 ounces.
- (d) Please confirm that for each density tier, the unit cost differences between letters-nonletters include not only the effects of shape-related cost differences, but also the effects of weight-related cost differences between letters and nonletters (e.g., the 0.464\$ unit cost difference between Saturation nonletters and Saturation letters reflects both shape- and weight-related cost effects).

RESPONSE:

- a. According to the data in the Billing Determinants presented in USPS LR-I-125 the average weight per piece in ounces for ECR are:

<u>ECR</u>	<u>Letters</u>	<u>Nonletters</u>
Basic	0.74	3.41
High-Density	0.90	3.40
Saturation	0.95	2.93

- b. Confirmed.
- c. According to the data in the Billing Determinants presented in USPS LR-I-125 the percent of ECR nonletters above the breakpoint (pound-rated) are:

<u>ECR</u>	<u>Pieces above breakpoint</u>
Basic	45%
High-Density	40%
Saturation	31%

- d. Confirmed.

DECLARATION

I, Sharon Daniel, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.


SHARON DANIEL

Dated: 4/5/00

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.


Anthony Alverno

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2997; Fax -6187
April 5, 2000