

Before the  
POSTAL RATE COMMISSION  
WASHINGTON, D. C. 20268-0001

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POSTAL RATE AND FEE CHANGES, 2001

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Docket No. R2001-1

DIRECT TESTIMONY OF  
BRADLEY V. PAFFORD  
ON BEHALF OF  
UNITED STATES POSTAL SERVICE

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1 Direct Testimony  
2 Of  
3 Bradley V. Pafford  
4 AUTOBIOGRAPHICAL SKETCH  
5

6 My name is Bradley V. Pafford. I am a Mathematical Statistician in  
7 Revenue, Volume and Performance Measurement, Finance. I have been  
8 employed by the Postal Service since 1991. During that time I have worked on  
9 statistical design issues for improving the Postal Service statistical information  
10 systems. I have appeared as a witness in Docket No. R2000-1, USPS-T-4, and  
11 Docket No. R97-1, USPS-T-1. I provided technical support to witness Steele in  
12 Docket No. R94-1 and for Postal Service statistical issues in Docket Nos. MC95-  
13 2 and MC96-3.

14 Prior to my employment with the Postal Service, I was a Mathematical  
15 Statistician with the U. S. Department of Agriculture (USDA), National Agricultural  
16 Statistics Service (NASS), for eleven years. I have published many USDA  
17 technical reports, and have contributed papers at the American Statistical  
18 Association Annual Conference and the Bureau of the Census Annual Research  
19 Conference.

20 I was awarded a Bachelor of Science degree with a major in Forestry from  
21 Virginia Polytechnic Institute and State University in 1977, and a Master of  
22 Science degree in Forestry from Virginia Polytechnic Institute and State  
23 University in 1979. My Master of Science degree in Forestry concentrated on  
24 survey research in outdoor recreation environments, with my Master's thesis  
25 developed around a time and location probability sample of users of the Cape

1 Hatteras National Seashore in the Outer Banks of North Carolina. In 1985 I  
2 received a Masters of Statistics degree from North Carolina State University. I  
3 was an instructor of statistics at the USDA graduate school from 1988 - 1992. I  
4 am a member of the American Statistical Association.

1 I. PURPOSE AND SCOPE OF TESTIMONY

2

3 The purpose of my testimony is to describe the Domestic Revenue,  
4 Pieces and Weight (DRPW) System and the Revenue, Pieces and Weight  
5 Adjustment (ARPW) System, which generate estimates of revenue, pieces and  
6 weight underlying the Postal Service's Request. My testimony covers the  
7 general design of DRPW, and provides tables showing estimates of revenue,  
8 pieces, and weight and their statistical reliability. To a lesser extent, my  
9 testimony provides a general overview of ARPW; a system that combines the  
10 revenue, pieces and weight data from the varied sources to produce the  
11 Government Fiscal Year report used for the Base Year.

12

13 This testimony is divided into three further parts. Section II provides a  
14 general overview of the estimation of revenue, pieces and weight. Section III  
15 describes DRPW, and Section IV describes how the revenue, pieces and weight  
16 estimates are prepared through the use of ARPW.

1 II. ESTIMATION OF REVENUE, PIECES AND WEIGHT

2

3 The Postal Service's postage revenue accounting system contains several  
4 accounts that are associated with specific classes or subclasses of mail.

5 However, most postage revenue accounts are general accounts that do not  
6 correspond exactly with specific mail categories. In addition, the revenue  
7 accounting system does not provide the necessary volume or piece information.

8 Therefore, the Postal Service supplements its revenue accounting information  
9 with statistical data from two systems: the probability-based sampling system  
10 known as DRPW, and the revenue account and postage statement-based  
11 system known as Bulk Mail Revenue, Pieces and Weight (BRPW). These data  
12 are combined through a system known as ARPW. My testimony discusses  
13 DRPW and ARPW, while witness Hunter, USPS-T-4, discusses the BRPW.

14

1 III. DOMESTIC REVENUE, PIECES AND WEIGHT (DRPW)

2

3 DRPW provides estimates of revenue, pieces and weight for mail  
4 categories that do not correspond exactly with the Postal Service's revenue  
5 accounting system, and where data are not available from postage statements.  
6 DRPW is a continuous probability sample, with specific exceptions, of mail exiting  
7 the postal system. The exceptions are registered, insured, Collect on Delivery  
8 (COD) and Certificates of Mailing (COM), for which a continuous probability  
9 sample of mail entering the postal system is drawn. The statistical methodology  
10 for the probability sampling system is provided in Section II of USPS-LR-J-16,  
11 which updates previous documentation in USPS-LR-I-27/R2000-1.

12

13 DRPW employs a multi-stage stratified cluster sample design that begins  
14 with a sampling frame. All domestic mail is partitioned into frame units, as part of  
15 a sampling frame. The first-stage frame unit is a finance number, often  
16 equivalent to a post office. Second-stage frame units consist of destinating mail  
17 exit points (MEPs) and consolidated originating frame units (COUs). Destinating  
18 frame units include all mail except registered, insured, COD and COM, while  
19 COUs include mail with these services only. A discussion of the sampling frame  
20 methodology appears in Section III of USPS-LR-J-16. The district statistical  
21 programs staff maintain their sampling frame following documentation that can  
22 be found in Chapter 6 of the Handbook F-75, Data Collection User's Guide for  
23 Revenue, Volume, and Performance Measurement Systems, USPS-LR-J-

1 Revenue, Volume, and Performance Measurement Systems, USPS-LR-J-  
2 23/R2001-1. This user's guide updates the previous documentation that can be  
3 found in USPS-LR-I-37/R2000-1. All supplemental policy instructions issued  
4 throughout FY 2000 have been provided in USPS-LR-J-34.

5

6 Finance numbers are stratified by Cost Ascertainment Group (CAG), and  
7 MEPs and COUs are stratified by district, type, and mail volume. CAG stratum 1  
8 (CAGs A, B, and C) is a certainty strata. The first-stage sampling unit is a  
9 finance number, with the set of selected finance numbers composing the DRPW  
10 panel. The second-stage sampling unit is a randomly selected MEP-day or  
11 COU-day within first-stage panel office each Postal Quarter. FY 2000 marks the  
12 beginning of the stratification and sample selection of MEPs clustered within first-  
13 stage panel offices in CAGs D through J. Prior to this MEPs were stratified within  
14 district, but across all panel offices in CAGs D through J, making the DRPW  
15 sample design a multi-stage phased sample design documented by me in my  
16 Docket No. R2000-1 testimony, USPS-T-4.

17

18 Test dates are randomly assigned in conjunction with other statistical  
19 system test schedules. The DRPW Sample Selection System documentation  
20 can be found in Section IV of USPS-LR-J-16. This updates previous  
21 documentation, USPS-LR-I-65/R2000-1 through USPS-LR-I-68/R2000-1. The  
22 test date assignment process is documented in USPS-LR-J-17, which updates  
23 USPS-LR-SSR-58/MC96-3.



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For each MEP-day (COU-day) in the sample, a subsample of the mail may be selected. Subsampling instructions are also documented in Chapter 3, Section 3.3, 3.6 and 3.4 in USPS-LR-J-23. The revenue and weight of the selected mailpieces are recorded by rate category. Data are entered directly into laptop computers under the RPW Computerized On-Site Data Entry System (RPW-CODES), and transferred and checked-in at Statistical Programs office baseunit computers, and then uploaded to mainframe computer for final processing. RPW-CODES data entry documentation is presented in Section 1 of USPS-LR-J-22, which updates previous documentation in USPS-LR-I-36/R2000-1 and USPS-LR-I-40/R2000-1. RPW-CODES baseunit documentation is presented in Section 2 of USPS-LR-J-22, which updates previous documentation USPS-LR-I-38/R2000-1 and USPS-LR-I-41/R2000-1. RPW-CODES mainframe documentation is presented in Section 3 of USPS-LR-J-22, which updates previous documentation USPS-LR-I-39/R2000-1, and USPS-LR-I-42/R2000-1.

From the sample data, estimates of revenue, pieces and weight are developed and used to distribute general postage account revenue to the measured categories of mail. Separate estimates are developed for each Postal Quarter, which are in turn combined to produce Fiscal Year estimates. Documentation of the systems that produce revenue and pieces estimates are provided in Section VII of USPS-LR-J-16, which updates USPS-LR-I-21/R2000-1 through USPS-LR-I-24/R2000-1.

1 IV. PREPARATION OF REVENUE, PIECES AND WEIGHT ESTIMATES

2

3         DRPW and BRPW estimates are combined with other data in ARPW to  
4 produce estimates of revenue, pieces and weight for all categories of mail. The  
5 RPW Adjustment system (ARPW) is documented in USPS-LR-J-21, which  
6 updates previous documentation, USPS-LR-I-30/R2000-1, USPS-LR-I-33/R2000-  
7 1 and USPS-LR-I-34/R2000-1. Because the Postal Service's statistical  
8 information systems are based on the Postal Fiscal Year (PFY), a final  
9 adjustment to these estimates is made to produce Government Fiscal Year  
10 (GFY) estimates. This procedure is also documented for ARPW in USPS-LR-J-  
11 21.

12

13         For Fiscal Year 2000, GFY estimates of the revenue, pieces and weight  
14 for the categories of mail are presented in Tables 1, 2, and 3. Coefficients of  
15 variation (expressed as percentages), and upper and lower 95% confidence  
16 limits, are also shown. Documentation of DRPW variance estimation in  
17 contained in Section VII.3 of USPS-LR-J-16, which updates USPS-LR-I-  
18 29/R2000-1. For each mail category, the Tables 1, 2, and 3 identify the source of  
19 the estimate: DRPW, BRPW or combined systems. For example, the estimate of  
20 Standard Mail (B) Bound Printed Matter (BPM) total volume is obtained by  
21 combining the DRPW non-permit imprint volume estimates with the BRPW bulk  
22 permit imprint BPM volume estimates, and any official mail (U.S. government  
23 agency and congressional franked mail) BPM volume.

**TABLE 1**  
**GOVERNMENT FISCAL YEAR 2000 REVENUE ESTIMATES**  
**AND ASSOCIATED CONFIDENCE LIMITS**

| SERVICE CATEGORY                                   | REVENUE<br>(\$1,000s) | C.V. OF<br>ESTIMATE<br>PERCENT <u>4/</u> | LOWER 95%<br>CONFIDENCE<br>LIMIT <u>6/</u> | UPPER 95%<br>CONFIDENCE<br>LIMIT <u>6/</u> |
|--|-----------------------|--|--|--|
| <b>FIRST-CLASS MAIL:</b>                           |                       |  |  |  |
| SINGLE-PIECE LETTERS, FLATS, AND IPPS <u>2/</u>    | 21,774,114            | 0.29                                     | 21,650,350                                 | 21,897,878                                 |
| NONAUTO PRESORT LETTERS, FLATS, AND IPPS <u>1/</u> | 1,542,992             | 2.55                                     | 1,465,873                                  | 1,620,111                                  |
| AUTO PRESORT LETTERS AND FLATS <u>1/</u>           | 10,743,643            | 0.15                                     | 10,712,057                                 | 10,775,229                                 |
| TOTAL PRESORT NON-CARDS <u>1/</u>                  | 12,286,635            | 0.35                                     | 12,202,349                                 | 12,370,921                                 |
| AUTO CARRIER ROUTE PRESORT LETTERS <u>1/</u>       | 266,321               | 0.99                                     | 261,153                                    | 271,489                                    |
| SINGLE-PIECE CARDS <u>2/</u>                       | 559,432               | 1.44                                     | 543,643                                    | 575,221                                    |
| NONAUTO PRESORT MAILING CARDS <u>1/</u>            | 123,333               | 9.33                                     | 100,779                                    | 145,887                                    |
| AUTO PRESORT CARDS <u>1/</u>                       | 310,905               | 1.44                                     | 302,130                                    | 319,680                                    |
| TOTAL PRESORT CARDS <u>1/</u>                      | 434,238               | 2.72                                     | 411,088                                    | 457,388                                    |
| AUTO CARRIER ROUTE PRESORT CARDS <u>1/</u>         | 12,464                | 1.41                                     | 12,120                                     | 12,808                                     |
| DOMESTIC MAIL FEES <u>2/</u>                       | 182,667               | 2.14                                     | 175,005                                    | 190,329                                    |
| TOTAL FIRST-CLASS <u>1/</u>                        | 35,515,870            | 0.21                                     | 35,369,687                                 | 35,662,053                                 |
| <b>PRIORITY MAIL <u>1/</u></b>                     |                       |  |  |  |
| DOMESTIC MAIL FEES <u>2/</u>                       | 1,340                 | 5.90                                     | 1,185                                      | 1,495                                      |
| TOTAL PRIORITY <u>1/</u>                           | 4,837,056             | 1.10                                     | 4,732,769                                  | 4,941,343                                  |
| <b>EXPRESS MAIL</b>                                |                       |  |  |  |
|  | 996,100               | N/C <u>5/</u>                            |  |  |
| <b>MAILGRAMS</b>                                   |                       |  |  |  |
|  | 1,519                 | N/C                                      |  |  |
| <b>PERIODICALS MAIL:</b>                           |                       |  |  |  |
| IN-COUNTY <u>3/</u>                                | 76,717                | 2.53                                     | 72,913                                     | 80,521                                     |
| <b>OUTSIDE COUNTY:</b>                             |                       |  |  |  |
| REGULAR <u>3/</u>                                  | 1,723,034             | 0.15                                     | 1,717,968                                  | 1,728,100                                  |
| SPECIAL NONPROFIT <u>3/</u>                        | 338,784               | 0.77                                     | 333,671                                    | 343,897                                    |
| CLASSROOM <u>3/</u>                                | 14,439                | 0.44                                     | 14,314                                     | 14,564                                     |
| TOTAL OUTSIDE COUNTY <u>3/</u>                     | 2,076,257             | 0.09                                     | 2,072,594                                  | 2,079,920                                  |
| DOMESTIC MAIL FEES <u>2/</u>                       | 17,716                | 3.06                                     | 16,653                                     | 18,779                                     |
| TOTAL PERIODICALS <u>1/</u>                        | 2,170,690             | 0.02                                     | 2,169,839                                  | 2,171,541                                  |
| <b>STANDARD MAIL (A):</b>                          |                       |  |  |  |
| REGULAR - NONAUTO PRESORT <u>3/</u>                | 1,727,943             | 0.92                                     | 1,696,785                                  | 1,759,101                                  |
| REGULAR - AUTO PRESORT <u>3/</u>                   | 6,890,856             | 0.37                                     | 6,840,884                                  | 6,940,828                                  |
| TOTAL REGULAR - NON-ECR <u>3/</u>                  | 8,618,800             | 0.38                                     | 8,554,607                                  | 8,682,993                                  |
| ENHANCED CARRIER ROUTE <u>3/</u>                   | 4,879,488             | 0.66                                     | 4,816,367                                  | 4,942,609                                  |
| TOTAL REGULAR <u>3/</u>                            | 13,498,248            | 0.02                                     | 13,492,957                                 | 13,503,539                                 |
| NONPROFIT - NONAUTO PRESORT <u>3/</u>              | 460,351               | 1.38                                     | 447,899                                    | 472,803                                    |
| NONPROFIT - AUTO PRESORT <u>3/</u>                 | 936,567               | 0.52                                     | 927,022                                    | 946,112                                    |
| TOTAL NONPROFIT - NON-ECR <u>3/</u>                | 1,396,917             | 0.31                                     | 1,388,429                                  | 1,405,405                                  |
| NONPROFIT ENHANCED CARRIER ROUTE <u>3/</u>         | 216,343               | 1.68                                     | 209,219                                    | 223,467                                    |
| TOTAL NONPROFIT <u>3/</u>                          | 1,613,261             | 0.14                                     | 1,608,834                                  | 1,617,688                                  |
| DOMESTIC MAILING FEES <u>2/</u>                    | 81,773                | 1.15                                     | 79,930                                     | 83,616                                     |
| TOTAL STANDARD MAIL (A) <u>1/</u>                  | 15,193,282            | 0.03                                     | 15,184,348                                 | 15,202,216                                 |

**TABLE 1  
(CONTINUED)  
GOVERNMENT FISCAL YEAR 2000 REVENUE ESTIMATES  
AND ASSOCIATED CONFIDENCE LIMITS**

| SERVICE CATEGORY                               | REVENUE<br>(\$1,000s) | C.V. OF<br>ESTIMATE<br>PERCENT 4/ | LOWER 95%<br>CONFIDENCE<br>LIMIT 6/ | UPPER 95%<br>CONFIDENCE<br>LIMIT 6/ |
|--|-----------------------|-----------------------------------|-------------------------------------|-------------------------------------|
| <b>STANDARD MAIL (B):</b>                      |                       |                                   |                                     |                                     |
| PARCEL POST 1/                                 | 1,041,927             | 0.53                              | 1,031,103                           | 1,052,751                           |
| BOUND PRINTED MATTER 1/                        | 502,902               | 0.29                              | 500,044                             | 505,760                             |
| SPECIAL STANDARD 2/                            | 317,944               | 4.92                              | 287,284                             | 348,604                             |
| LIBRARY MAIL 2/                                | 47,123                | 2.56                              | 44,759                              | 49,487                              |
| DOMESTIC MAIL FEES 2/                          | 2,410                 | 5.79                              | 2,137                               | 2,683                               |
| TOTAL STANDARD MAIL (B) 1/                     | 1,912,305             | 0.94                              | 1,877,073                           | 1,947,537                           |
| <b>U.S. POSTAL SERVICE MAIL</b>                |                       |                                   |                                     |                                     |
| <b>FREE MAIL FOR THE BLIND AND HANDICAPPED</b> |                       |                                   |                                     |                                     |
| TOTAL DOMESTIC MAIL                            | 60,626,822            | N/C                               |                                     |                                     |
| TOTAL INTERNATIONAL MAIL                       | 1,657,520             | N/C                               |                                     |                                     |
| TOTAL ALL MAIL                                 | 62,284,343            | N/C                               |                                     |                                     |
| <b>SPECIAL AND OTHER SERVICES:</b>             |                       |                                   |                                     |                                     |
| REGISTERED 2/                                  | 72,356                | 0.01                              | 72,342                              | 72,370                              |
| INSURANCE 2/                                   | 105,321               | 2.18                              | 100,821                             | 109,821                             |
| COLLECT ON DELIVERY 2/                         | 21,472                | 0.01                              | 21,468                              | 21,476                              |
| CERTIFIED 2/                                   | 385,402               | 3.98                              | 355,338                             | 415,466                             |
| DELIVERY RECEIPT SERVICES 2/                   | 315,753               | 3.56                              | 293,721                             | 337,785                             |
| MONEY ORDERS                                   | 181,585               | N/C                               |                                     |                                     |
| SUBTOTAL                                       | 1,081,888             | 2.42                              | 1,030,572                           | 1,133,204                           |
| OUT. MONEY ORDERS TAKEN INTO REVENUE           | 46,823                | N/C                               |                                     |                                     |
| STAMPED ENVELOPES                              | 15,364                | N/C                               |                                     |                                     |
| BOX RENTS                                      | 684,207               | N/C                               |                                     |                                     |
| TOTAL DOMESTIC SERVICES                        | 1,828,282             | N/C                               |                                     |                                     |
| TOTAL INTERNATIONAL SERVICES                   | 39,960                | N/C                               |                                     |                                     |
| TOTAL SERVICES                                 | 1,865,242             | N/C                               |                                     |                                     |
| TOTAL MAIL AND SERVICES                        | 64,149,585            | N/C                               |                                     |                                     |
| OTHER INCOME                                   | 531,857               | N/C                               |                                     |                                     |
| TOTAL INCOME                                   | 64,681,442            | N/C                               |                                     |                                     |

1/ COMBINED DRPW AND BRPW (INCLUDES OTHER SOURCE DATA IF ANY)

2/ DRPW (INCLUDES OTHER NON-BRPW SOURCE DATA IF ANY)

3/ BRPW (INCLUDES OTHER NON-DRPW SOURCE DATA IF ANY)

4/ COEFFICIENT OF VARIATION = (100 x (EST. STD. ERROR / EST. REVENUE))

5/ NOT COMPUTED

6/ LOWER LIMIT = EST. REVENUE - (1.97 x EST. STD. ERROR)

**TABLE 2  
GOVERNMENT FISCAL YEAR 2000 PIECES ESTIMATES  
AND ASSOCIATED CONFIDENCE LIMITS**

| SERVICE CATEGORY                                   | PIECES<br>(1,000s) | C.V. OF<br>ESTIMATE<br>PERCENT <u>4/</u> | LOWER 95%<br>CONFIDENCE<br>LIMIT <u>6/</u> | UPPER 95%<br>CONFIDENCE<br>LIMIT <u>6/</u> |
|--|--------------------|--|--|--|
| <b>FIRST-CLASS MAIL:</b>                           |                    |  |  |  |
| SINGLE-PIECE LETTERS, FLATS, AND IPPS <u>2/</u>    | 52,369,535         | 0.47                                     | 51,887,107                                 | 52,851,963                                 |
| NONAUTO PRESORT LETTERS, FLATS, AND IPPS <u>1/</u> | 4,422,981          | 2.91                                     | 4,170,712                                  | 4,675,250                                  |
| AUTO PRESORT LETTERS AND FLATS <u>1/</u>           | 40,177,157         | 0.17                                     | 40,043,287                                 | 40,311,027                                 |
| TOTAL PRESORT NON-CARDS <u>1/</u>                  | 44,600,139         | 0.33                                     | 44,311,665                                 | 44,888,613                                 |
| AUTO CARRIER ROUTE PRESORT LETTERS <u>1/</u>       | 1,075,333          | 0.96                                     | 1,055,100                                  | 1,095,566                                  |
| SINGLE-PIECE CARDS <u>2/</u>                       | 2,719,298          | 1.44                                     | 2,642,549                                  | 2,796,047                                  |
| NONAUTO PRESORT MAILING CARDS <u>1/</u>            | 688,129            | 9.29                                     | 562,832                                    | 813,426                                    |
| AUTO PRESORT CARDS <u>1/</u>                       | 1,984,884          | 1.43                                     | 1,929,252                                  | 2,040,516                                  |
| TOTAL PRESORT CARDS <u>1/</u>                      | 2,673,013          | 2.50                                     | 2,542,035                                  | 2,803,991                                  |
| AUTO CARRIER ROUTE PRESORT CARDS <u>1/</u>         | 88,394             | 1.41                                     | 85,951                                     | 90,837                                     |
| DOMESTIC MAIL FEES <u>2/</u>                       |                    |  |  |  |
| TOTAL FIRST-CLASS <u>1/</u>                        | 103,525,713        | 0.27                                     | 102,977,855                                | 104,073,571                                |
| <b>PRIORITY MAIL <u>1/</u></b>                     |                    |  |  |  |
| DOMESTIC MAIL FEES <u>2/</u>                       | 1,222,454          | 1.16                                     | 1,194,660                                  | 1,250,248                                  |
| TOTAL PRIORITY <u>1/</u>                           | 1,222,454          | 1.16                                     | 1,194,660                                  | 1,250,248                                  |
| <b>EXPRESS MAIL</b>                                |                    |  |  |  |
|  | 70,935             | N/C <u>5/</u>                            |  |  |
| <b>MAILGRAMS</b>                                   |                    |  |  |  |
|  | 3,656              | N/C                                      |  |  |
| <b>PERIODICALS MAIL:</b>                           |                    |  |  |  |
| IN-COUNTY <u>3/</u>                                | 897,069            | 2.45                                     | 853,992                                    | 940,146                                    |
| <b>OUTSIDE COUNTY:</b>                             |                    |  |  |  |
| REGULAR <u>3/</u>                                  | 7,250,346          | 0.16                                     | 7,227,609                                  | 7,273,083                                  |
| SPECIAL NONPROFIT <u>3/</u>                        | 2,153,400          | 1.13                                     | 2,105,706                                  | 2,201,094                                  |
| CLASSROOM <u>3/</u>                                | 63,969             | 0.44                                     | 63,417                                     | 64,521                                     |
| TOTAL OUTSIDE COUNTY <u>3/</u>                     | 9,467,716          | 0.24                                     | 9,423,180                                  | 9,512,252                                  |
| DOMESTIC MAIL FEES                                 |                    |  |  |  |
| TOTAL PERIODICALS <u>3/</u>                        | 10,364,784         | 0.20                                     | 10,324,154                                 | 10,405,414                                 |
| <b>STANDARD MAIL (A):</b>                          |                    |  |  |  |
| REGULAR - NONAUTO PRESORT <u>3/</u>                | 5,854,529          | 0.76                                     | 5,767,320                                  | 5,941,738                                  |
| REGULAR - AUTO PRESORT <u>3/</u>                   | 37,176,324         | 0.37                                     | 36,906,721                                 | 37,445,927                                 |
| TOTAL REGULAR - NON-ECR <u>3/</u>                  | 43,030,852         | 0.35                                     | 42,735,660                                 | 43,326,044                                 |
| ENHANCED CARRIER ROUTE <u>3/</u>                   | 32,775,999         | 0.76                                     | 32,287,768                                 | 33,264,230                                 |
| TOTAL REGULAR <u>3/</u>                            | 75,806,852         | 0.15                                     | 75,583,980                                 | 76,029,724                                 |
| NONPROFIT - NONAUTO PRESORT <u>3/</u>              | 2,934,396          | 1.64                                     | 2,840,073                                  | 3,028,719                                  |
| NONPROFIT - AUTO PRESORT <u>3/</u>                 | 8,391,262          | 0.52                                     | 8,305,738                                  | 8,476,786                                  |
| TOTAL NONPROFIT - NON-ECR <u>3/</u>                | 11,325,657         | 0.28                                     | 11,263,502                                 | 11,387,812                                 |
| NONPROFIT ENHANCED CARRIER ROUTE <u>3/</u>         | 2,924,638          | 1.78                                     | 2,822,603                                  | 3,026,673                                  |
| TOTAL NONPROFIT <u>3/</u>                          | 14,250,295         | 0.23                                     | 14,186,055                                 | 14,314,535                                 |
| DOMESTIC MAILING FEES <u>2/</u>                    |                    |  |  |  |
| TOTAL STANDARD MAIL (A) <u>1/</u>                  | 90,057,147         | 0.13                                     | 89,827,681                                 | 90,286,613                                 |

**TABLE 2  
(CONTINUED)  
GOVERNMENT FISCAL YEAR 2000 PIECES ESTIMATES  
AND ASSOCIATED CONFIDENCE LIMITS**

| SERVICE CATEGORY                           | PIECES<br>(1,000s) | C.V.OF<br>ESTIMATE<br>PERCENT | LOWER 95%<br>CONFIDENCE<br>LIMIT | UPPER 95%<br>CONFIDENCE<br>LIMIT |
|--|--------------------|-------------------------------|----------------------------------|----------------------------------|
| STANDARD MAIL (B):                         |                    |                               |                                  |                                  |
| PARCEL POST 1/                             | 324,167            | 0.33                          | 322,070                          | 326,264                          |
| BOUND PRINTED MATTER 1/                    | 560,218            | 0.16                          | 558,461                          | 561,975                          |
| SPECIAL STANDARD 2/                        | 215,934            | 7.15                          | 185,673                          | 246,195                          |
| LIBRARY MAIL 2/                            | 28,112             | 2.60                          | 26,679                           | 29,545                           |
| DOMESTIC MAIL FEES 2/                      |                    |                               |                                  |                                  |
| TOTAL STANDARD MAIL (B) 1/                 | 1,128,431          | 1.41                          | 1,097,246                        | 1,159,616                        |
| U.S. POSTAL SERVICE MAIL 1/                | 362,913            | 2.69                          | 343,779                          | 382,047                          |
| FREE MAIL FOR THE BLIND AND HANDICAPPED 1/ | 46,638             | 4.59                          | 42,442                           | 50,834                           |
| TOTAL DOMESTIC MAIL                        | 206,782,673        | N/C                           |                                  |                                  |
| TOTAL INTERNATIONAL MAIL                   | 1,099,478          | N/C                           |                                  |                                  |
| TOTAL ALL MAIL                             | 207,882,151        | N/C                           |                                  |                                  |
| SPECIAL AND OTHER SERVICES:                |                    |                               |                                  |                                  |
| REGISTERED 2/                              | 8,931              | 0.30                          | 8,878                            | 8,984                            |
| INSURANCE 2/                               | 56,835             | 2.15                          | 54,440                           | 59,230                           |
| COLLECT ON DELIVERY 2/                     | 4,131              | 0.01                          | 4,130                            | 4,132                            |
| CERTIFIED 2/                               | 270,533            | 4.00                          | 249,323                          | 291,743                          |
| DELIVERY RECEIPT SERVICES 2/               | 356,056            | 2.48                          | 338,749                          | 373,363                          |
| MONEY ORDERS                               | 231,213            | N/C                           |                                  |                                  |
| TOTAL DOMESTIC SERVICES                    | 927,699            | N/C                           |                                  |                                  |
| TOTAL INTERNATIONAL SERVICES               | 7,841              | N/C                           |                                  |                                  |
| USPS SPECIAL SERVICE TRANSACTIONS          |                    |                               |                                  |                                  |
| REGISTERED TRANSACTIONS: 1/                | 13,842             | 0.00                          | 13,842                           | 13,842                           |
| CERTIFIED TRANSACTIONS 1/                  | 758                | 17.12                         | 504                              | 1,012                            |
| DELIVERY RECEIPT SERVICES 1/               | 1,677              | 19.92                         | 1,022                            | 2,332                            |
| SPECIAL HANDLING TRANSACTIONS 1/           | 130                | 50.51                         | 1                                | 259                              |
| TOTAL                                      | 16,407             | 2.46                          | 15,616                           | 17,198                           |

1/ COMBINED DRPW AND BRPW (INCLUDES OTHER SOURCE DATA IF ANY)

2/ DRPW (INCLUDES OTHER NON-BRPW SOURCE DATA IF ANY)

3/ BRPW (INCLUDES OTHER NON-DRPW SOURCE DATA IF ANY)

4/ COEFFICIENT OF VARIATION = (100 x (EST. STD. ERROR / EST. PIECES))

5/ NOT COMPUTED

6/ LOWER LIMIT = EST. PIECES - (1.97 x EST. STD. ERROR)

    UPPER LIMIT = EST. PIECES + (1.97 x EST. STD. ERROR)

**TABLE 3  
GOVERNMENT FISCAL YEAR 2000 WEIGHT ESTIMATES  
AND ASSOCIATED CONFIDENCE LIMITS**

| SERVICE CATEGORY                                   | WEIGHT<br>(1,000s) | C.V. OF<br>ESTIMATE<br>PERCENT <u>4/</u> | LOWER 95%<br>CONFIDENCE<br>LIMIT <u>6/</u> | UPPER 95%<br>CONFIDENCE<br>LIMIT <u>6/</u> |
|--|--------------------|--|--|--|
| <b>FIRST-CLASS MAIL:</b>                           |                    |  |  |  |
| SINGLE-PIECE LETTERS, FLATS, AND IPPS <u>2/</u>    | 2,601,381          | 0.43                                     | 2,579,457                                  | 2,623,305                                  |
| NONAUTO PRESORT LETTERS, FLATS, AND IPPS <u>1/</u> | 193,820            | 1.62                                     | 187,666                                    | 199,974                                    |
| AUTO PRESORT LETTERS AND FLATS <u>1/</u>           | 1,519,108          | 0.17                                     | 1,514,046                                  | 1,524,170                                  |
| TOTAL PRESORT NON-CARDS <u>1/</u>                  | 1,712,929          | 0.24                                     | 1,704,871                                  | 1,720,987                                  |
| AUTO CARRIER ROUTE PRESORT LETTERS <u>1/</u>       | 38,506             | 1.22                                     | 37,585                                     | 39,427                                     |
| SINGLE-PIECE CARDS <u>2/</u>                       | 17,001             | 1.44                                     | 16,521                                     | 17,481                                     |
| NONAUTO PRESORT MAILING CARDS <u>1/</u>            | 5,358              | 13.26                                    | 3,965                                      | 6,751                                      |
| AUTO PRESORT CARDS <u>1/</u>                       | 16,158             | 1.06                                     | 15,822                                     | 16,494                                     |
| TOTAL PRESORT CARDS                                | 21,516             | 3.30                                     | 20,124                                     | 22,908                                     |
| AUTO CARRIER ROUTE PRESORT CARDS <u>1/</u>         | 686                | 1.23                                     | 669  | 703  |
| DOMESTIC MAIL FEES <u>2/</u>                       |                    |  |  |  |
| TOTAL FIRST-CLASS <u>1/</u>                        | 4,392,018          | 0.27                                     | 4,368,775                                  | 4,415,261                                  |
| <b>PRIORITY MAIL <u>1/</u></b>                     |                    |  |  |  |
| DOMESTIC MAIL FEES <u>2/</u>                       |                    |  |  |  |
| TOTAL PRIORITY <u>1/</u>                           | 2,352,320          | 1.08                                     | 2,302,526                                  | 2,402,114                                  |
| <b>EXPRESS MAIL</b>                                |                    |  |  |  |
|  | 80,017             | N/C <u>5/</u>                            |  |  |
| <b>MAILGRAMS</b>                                   |                    |  |  |  |
|  |                    | N/C                                      |  |  |
| <b>PERIODICALS MAIL:</b>                           |                    |  |  |  |
| IN-COUNTY <u>3/</u>                                | 261,991            | 3.20                                     | 245,559                                    | 278,423                                    |
| <b>OUTSIDE COUNTY:</b>                             |                    |  |  |  |
| REGULAR <u>3/</u>                                  | 3,812,889          | 0.29                                     | 3,791,217                                  | 3,834,561                                  |
| SPECIAL NONPROFIT <u>3/</u>                        | 610,252            | 0.50                                     | 604,272                                    | 616,232                                    |
| CLASSROOM <u>3/</u>                                | 35,127             | 0.45                                     | 34,817                                     | 35,437                                     |
| TOTAL OUTSIDE COUNTY                               | 4,458,267          | 0.24                                     | 4,437,295                                  | 4,479,239                                  |
| DOMESTIC MAIL FEES                                 |                    |  |  |  |
| TOTAL PERIODICALS <u>3/</u>                        | 4,720,258          | 0.30                                     | 4,692,503                                  | 4,748,013                                  |
| <b>STANDARD MAIL (A):</b>                          |                    |  |  |  |
| REGULAR - NONAUTO PRESORT <u>3/</u>                | 999,281            | 1.25                                     | 974,799                                    | 1,023,763                                  |
| REGULAR - AUTO PRESORT <u>3/</u>                   | 4,039,975          | 0.40                                     | 4,008,302                                  | 4,071,648                                  |
| TOTAL REGULAR - NON-ECR <u>3/</u>                  | 5,039,256          | 0.44                                     | 4,995,797                                  | 5,082,715                                  |
| ENHANCED CARRIER ROUTE <u>3/</u>                   | 5,103,831          | 0.85                                     | 5,018,801                                  | 5,188,861                                  |
| TOTAL REGULAR <u>3/</u>                            | 10,143,087         | 0.32                                     | 10,079,470                                 | 10,206,704                                 |
| NONPROFIT - NONAUTO PRESORT <u>3/</u>              | 181,545            | 0.98                                     | 178,058                                    | 185,032                                    |
| NONPROFIT - AUTO PRESORT <u>3/</u>                 | 589,336            | 0.55                                     | 582,983                                    | 595,689                                    |
| TOTAL NONPROFIT - NON-ECR <u>3/</u>                | 770,882            | 0.46                                     | 763,932                                    | 777,832                                    |
| NONPROFIT ENHANCED CARRIER ROUTE <u>3/</u>         | 228,678            | 1.42                                     | 222,313                                    | 235,043                                    |
| TOTAL NONPROFIT <u>3/</u>                          | 999,560            | 0.47                                     | 990,352                                    | 1,008,768                                  |
| DOMESTIC MAILING FEES <u>2/</u>                    |                    |  |  |  |
| TOTAL STANDARD MAIL (A) <u>1/</u>                  | 11,142,647         | 0.30                                     | 11,077,128                                 | 11,208,166                                 |

**TABLE 3  
(CONTINUED)  
GOVERNMENT FISCAL YEAR 2000 WEIGHT ESTIMATES  
AND ASSOCIATED CONFIDENCE LIMITS**

| SERVICE CATEGORY                           | WEIGHT<br>(1,000s) | C.V. OF<br>ESTIMATE<br>PERCENT 4/ | LOWER 95%<br>CONFIDENCE<br>LIMIT 6/ | UPPER 95%<br>CONFIDENCE<br>LIMIT 6/ |
|--|--------------------|-----------------------------------|-------------------------------------|-------------------------------------|
| STANDARD MAIL (B):                         |                    |                                   |                                     |                                     |
| PARCEL POST 1/                             | 2,040,870          | 0.34                              | 2,027,270                           | 2,054,470                           |
| BOUND PRINTED MATTER 1/                    | 1,383,631          | 0.18                              | 1,378,750                           | 1,388,512                           |
| SPECIAL STANDARD 2/                        | 298,608            | 2.21                              | 285,673                             | 311,543                             |
| LIBRARY MAIL 2/                            | 50,664             | 3.15                              | 47,536                              | 53,792                              |
| DOMESTIC MAIL FEES 2/                      |                    |                                   |                                     |                                     |
| TOTAL STANDARD MAIL (B) 1/                 | 3,773,773          | 0.34                              | 3,748,625                           | 3,798,921                           |
| U.S. POSTAL SERVICE MAIL 1/                | 95,307             | 3.64                              | 88,507                              | 102,107                             |
| FREE MAIL FOR THE BLIND AND HANDICAPPED 1/ | 25,134             | 5.31                              | 22,518                              | 27,750                              |
| TOTAL DOMESTIC MAIL                        | 26,581,473         | N/C                               |                                     |                                     |
| TOTAL INTERNATIONAL MAIL                   | 259,148            | N/C                               |                                     |                                     |
| TOTAL ALL MAIL                             | 26,840,622         | N/C                               |                                     |                                     |

1/ COMBINED DRPW AND BRPW (INCLUDES OTHER SOURCE DATA IF ANY)

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4/ COEFFICIENT OF VARIATION = (100 x (EST. STD. ERROR / EST. WEIGHT))

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6/ LOWER LIMIT = EST. WEIGHT - (1.97 x EST. STD. ERROR)

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