

USPS-T-5

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  
THOMAS W. HARAUSH  
ON BEHALF OF  
UNITED STATES POSTAL SERVICE

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1  
2 DIRECT TESTIMONY  
3 OF  
4 THOMAS W. HARAUSH

5  
6  
7 AUTOBIOGRAPHICAL SKETCH  
8

9 My name is Thomas W. Harahush. I am a Mathematical Statistician in Cost  
10 Systems, Finance. I have been employed by the Postal Service since 1985.  
11 During that time I have worked on a number of statistical issues in the areas of  
12 cost and service performance. I have provided technical support for rate case  
13 witnesses in a number of cases since Docket No. R90-1 and I was the statistical  
14 witness for the carrier cost programs in Docket No. R97-1 and Docket No.  
15 R2000-1.

16  
17 Prior to my employment with the Postal Service I was a Mathematical Statistician  
18 with the Bureau of the Census for twelve years. There I worked on sample  
19 design, field work, and processing issues on the 1980 Decennial Census and a  
20 number of ongoing surveys, including the Annual Housing Survey, Consumer  
21 Expenditures Survey and the Survey of Disabled Adults. Prior to my work with  
22 the Bureau of the Census, I was a Statistician at the Bureau of Mines.

23  
24 I received a Bachelor of Science Degree in Mathematics from Pennsylvania  
25 State University in 1972. My graduate studies in mathematical statistics and  
26 survey sampling were conducted at George Washington University.

27

- 1 I am currently a member of the American Statistical Association and the
- 2 Washington Statistical Society.

1 PURPOSE AND SCOPE OF TESTIMONY

2 The requirement that each class of mail and special service be priced so as to  
3 cover its attributable costs compels the Postal Service to determine the  
4 revenues, volumes and costs of each class, subclass, and special service.

5 However, the Service's revenue and cost accounting systems do not in general  
6 coincide with, or specifically identify individual categories of mail or service.

7 Therefore, the Postal Service relies on various statistical systems and special  
8 studies to provide estimates of accrued costs for certain postal operating  
9 functions, and to provide estimates of revenues, volumes and attributable costs  
10 of various categories of mail.

11

12 The purpose of my testimony is to describe the City and Rural Carrier Cost  
13 Systems, which are two of the statistical information systems used to distribute  
14 attributable carrier costs to categories of mail in the Postal Service's request. My  
15 testimony covers the general design of the Carrier Cost Systems, the types of  
16 estimates that are produced, and tables showing the reliability of major  
17 estimates.

1 ESTIMATION OF CARRIER COSTS

2 The Postal Service supplements its carrier accounting information with statistical  
3 data from two cost systems to develop various estimates of costs by the type of  
4 carrier and category of mail.

5

6 The distribution of both city and rural carrier cost is based on mail volume  
7 delivered on city carrier and rural carrier routes. Estimates of these volumes are  
8 utilized to produce ratios that are, in turn, used to distribute costs to the various  
9 categories of mail.

10

11 City Carrier System

12

13 The city carrier system is a probability sample of city carrier routes. The  
14 randomly selected routes are sampled each quarter of the year. For each  
15 sampled route, a subsample of stops is selected. For each selected stop, data to  
16 determine the type of stop and the volume of mail by shape and category of mail  
17 are recorded directly into a portable microcomputer using CODES software.

18

19 These data are used to estimate the number of actual and potential stops for  
20 three types of stops: (1) single delivery residential, (2) multi-delivery residential,  
21 and (3) business and mixed (residential and business). For each of these three  
22 types of stops, sample data are also used to estimate the distribution of mail  
23 volume by shape (letter, flat, and parcel), and within shape, by category of mail.

1 The number of actual and potential deliveries are also estimated for both single-  
2 delivery and multi-delivery residential stops.

3

4 A description of the statistical design of the City Carrier System is contained in  
5 USPS-LR-J-12, City Carrier Cost System (CCCS) Statistical and Computer  
6 Documentation. Data collection instructions are contained in USPS-LR-J-14,  
7 Handbook F-65, Data Collection User's Guide for Cost Systems, TL2, Chapter 3.  
8 CODES software documentation is contained in USPS-LR-J-15, CCCS-RCCS  
9 CODES Computer System Documentation and Source Code, Sections 1 and 2.  
10 Fiscal Year 2000 estimates of major items with associated confidence intervals  
11 are shown in Tables 1 - 4.

12

13

#### 14 Rural Carrier System

15

16 The Rural Carrier System is a probability sample of rural carrier routes. For each  
17 sampled route, all collected mail and a sample of all delivered mail are counted  
18 and recorded. Mail characteristics collected on sampled delivered mail include  
19 class, subclass, and compensation category (shape or special service). The  
20 data are entered into a portable microcomputer using CODES software.

21

22 From the sample data described above, estimates are developed of the volume  
23 of each category of mail collected and delivered on rural routes. Estimates are

1 developed for the various types of accountable mail. For non-accountable mail,  
2 estimates are developed for various compensation categories including DPS  
3 letters, sector segment letters, other letters, flats, parcels, and boxholder mail.

4

5 A description of the statistical design of the Rural Carrier System is contained in  
6 USPS-LR-J-13, Rural Carrier Cost System (RCCS) Statistical and Computer  
7 Documentation. Data collection instructions are contained in USPS-LR-J-14,  
8 Handbook F-65, Data Collection User's Guide for Cost Systems TL2, Chapter 4.

9 CODES software documentation is contained in USPS-LR-J-15, CCCS-RCCS

10 CODES Computer System Documentation and Source Code, Sections 3 and 4.

11 Fiscal Year 2000 estimates of major items with associated confidence intervals  
12 are shown in Tables 5 through 8.

13



TABLE 1: Fiscal Year 2000 Proportions of Letter Shaped Mail Volume and Associated Confidence Limits – Single Delivery Residential

| Mail Class                  | Proportion of Total | C.V. <sup>1</sup> of Proportion | Lower 95% Confidence Limit <sup>2</sup> | Upper 95% Confidence Limit <sup>2</sup> |
|-----------------------------|---------------------|---------------------------------|---|---|
| <b>FIRST-CLASS MAIL</b>     |                     |                                 |   |   |
| Letters & Parcels           | 0.1923              | 0.63%                           | 0.1899                                  | 0.1947                                  |
| Presort Letters & Parcels   | 0.3345              | 0.44%                           | 0.3316                                  | 0.3374                                  |
| Private Mailing Cards       | 0.0207              | 1.45%                           | 0.0201                                  | 0.0213                                  |
| Presort Private Cards       | 0.0183              | 2.34%                           | 0.0175                                  | 0.0191                                  |
| TOTAL FIRST-CLASS           | 0.5658              | 0.23%                           | 0.5632                                  | 0.5684                                  |
| PRIORITY                    | 0.0004              | 6.91%                           | 0.0003                                  | 0.0005                                  |
| EXPRESS                     | 0.0001              | 20.73%                          | 0.0001                                  | 0.0001                                  |
| MAILGRAMS                   | 0.0002              | 10.03%                          | 0.0002                                  | 0.0002                                  |
| PERIODICALS                 | 0.0074              | 2.87%                           | 0.0070                                  | 0.0078                                  |
| <b>STANDARD MAIL</b>        |                     |                                 |   |   |
| Regular Standard            |                     |                                 |   |   |
| Enhanced Carrier Route      | 0.1187              | 1.41%                           | 0.1154                                  | 0.1220                                  |
| Other                       | 0.2219              | 0.51%                           | 0.2197                                  | 0.2241                                  |
| Total Regular               | 0.3406              | 0.50%                           | 0.3372                                  | 0.3440                                  |
| Nonprofit Standard          |                     |                                 |   |   |
| Enhanced Carrier Route      | 0.0086              | 5.30%                           | 0.0077                                  | 0.0095                                  |
| Other                       | 0.0731              | 0.88%                           | 0.0718                                  | 0.0744                                  |
| Total Nonprofit             | 0.0817              | 0.96%                           | 0.0802                                  | 0.0832                                  |
| TOTAL STANDARD              | 0.4223              | 0.40%                           | 0.4190                                  | 0.4256                                  |
| <b>PACKAGE SERVICES</b>     |                     |                                 |   |   |
| Parcel Post                 | 0.0000              | 29.56%                          | 0.0000                                  | 0.0000                                  |
| Bound Printed Matter        | 0.0000              | 24.27%                          | 0.0000                                  | 0.0000                                  |
| Special Standard            | 0.0000              | 22.75%                          | 0.0000                                  | 0.0000                                  |
| Library                     | 0.0000              | 36.32%                          | 0.0000                                  | 0.0000                                  |
| TOTAL PACKAGE SERVICES      | 0.0001              | 13.74%                          | 0.0001                                  | 0.0001                                  |
| <b>U. S. POSTAL SERVICE</b> |                     |                                 |   |   |
| FREE for BLIND & HNDCPD     | 0.0012              | 15.09%                          | 0.0008                                  | 0.0016                                  |
| INTERNATIONAL MAIL          | 0.0001              | 10.81%                          | 0.0001                                  | 0.0001                                  |
| TOTAL MAIL                  | 1.0000              |                                 |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
 Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

TABLE 1: (Continued)  
Multiple Delivery Residential Stops

| Mail Class                | Proportion of Total | C.V. <sup>1</sup> of Proportion | Lower 95% Confidence Limit <sup>2</sup> | Upper 95% Confidence Limit <sup>2</sup> |
|---------------------------|---------------------|---------------------------------|---|---|
| FIRST-CLASS MAIL          |                     |                                 |   |   |
| Letters & Parcels         | 0.1858              | 2.02%                           | 0.1784                                  | 0.1932                                  |
| Presort Letters & Parcels | 0.3626              | 1.83%                           | 0.3495                                  | 0.3757                                  |
| Private Mailing Cards     | 0.1867              | 3.78%                           | 0.1728                                  | 0.2006                                  |
| Presort Private Cards     | 0.0171              | 6.55%                           | 0.0149                                  | 0.0193                                  |
| TOTAL FIRST-CLASS         | 0.5842              | 1.64%                           | 0.5653                                  | 0.6031                                  |
| PRIORITY                  | 0.0004              | 17.80%                          | 0.0003                                  | 0.0005                                  |
| EXPRESS                   | 0.0000              | 54.19%                          | 0.0000                                  | 0.0000                                  |
| MAILGRAMS                 | 0.0001              | 26.58%                          | 0.0000                                  | 0.0002                                  |
| PERIODICALS               | 0.0060              | 7.30%                           | 0.0051                                  | 0.0069                                  |
| STANDARD MAIL             |                     |                                 |   |   |
| Regular Standard          |                     |                                 |   |   |
| Enhanced Carrier Route    | 0.1392              | 3.79%                           | 0.1288                                  | 0.1496                                  |
| Other                     | 0.1966              | 2.07%                           | 0.1886                                  | 0.2046                                  |
| Total Regular             | 0.3358              | 2.15%                           | 0.3216                                  | 0.3500                                  |
| Nonprofit Standard        |                     |                                 |   |   |
| Enhanced Carrier Route    | 0.0070              | 13.47%                          | 0.0051                                  | 0.0089                                  |
| Other                     | 0.0598              | 2.97%                           | 0.0563                                  | 0.0633                                  |
| Total Nonprofit           | 0.0668              | 3.08%                           | 0.0627                                  | 0.0709                                  |
| TOTAL STANDARD            | 0.4025              | 1.99%                           | 0.3867                                  | 0.4183                                  |
| PACKAGE SERVICES          |                     |                                 |   |   |
| Parcel Post               | 0.0000              | 76.54%                          | 0.0000                                  | 0.0000                                  |
| Bound Printed Matter      | 0.0000              | 76.26%                          | 0.0000                                  | 0.0000                                  |
| Special Standard          | 0.0000              | 96.28%                          | 0.0000                                  | 0.0000                                  |
| Library                   | 0.0000              | 100.00%                         | 0.0000                                  | 0.0000                                  |
| TOTAL PACKAGE             | 0.0000              | 53.85%                          | 0.0000                                  | 0.0000                                  |
| SERVICES                  |                     |                                 |   |   |
| U. S. POSTAL SERVICE      | 0.0032              | 36.78%                          | 0.0009                                  | 0.0055                                  |
| FREE for BLIND & HNDCPD   | 0.0002              | 48.90%                          | 0.0000                                  | 0.0004                                  |
| INTERNATIONAL MAIL        | 0.0033              | 6.05%                           | 0.0029                                  | 0.0037                                  |
| TOTAL MAIL                | 1.0000              |                                 |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

TABLE 1: (Continued)  
Business and Mixed Stops

| Mail Class                 | Proportion<br>of Total | C.V. <sup>1</sup> of<br>Proportion | Lower 95%<br>Confidence<br>Limit <sup>2</sup> | Upper 95%<br>Confidence<br>Limit <sup>2</sup> |
|----------------------------|------------------------|------------------------------------|---|---|
| <b>FIRST-CLASS MAIL</b>    |                        |                                    |   |   |
| Letters & Parcels          | 0.4796                 | 2.52%                              | 0.4558  | 0.5034  |
| Presort Letters & Parcels  | 0.2650                 | 2.66%                              | 0.2511  | 0.2789  |
| Private Mailing Cards      | 0.0206                 | 5.25%                              | 0.0185  | 0.0227  |
| Presort Private Cards      | 0.1142                 | 7.75%                              | 0.0968  | 0.1316  |
| TOTAL FIRST-CLASS          | 0.7766                 | 2.25%                              | 0.7422  | 0.8110  |
| PRIORITY                   | 0.0005                 | 14.52%                             | 0.0004  | 0.0006  |
| EXPRESS                    | 0.0001                 | 32.01%                             | 0.0000  | 0.0002  |
| MAILGRAMS                  | 0.0001                 | 34.70%                             | 0.0000  | 0.0002  |
| PERIODICALS                | 0.0049                 | 8.91%                              | 0.0040  | 0.0058  |
| <b>STANDARD MAIL</b>       |                        |                                    |   |   |
| Regular Standard           |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.0204                 | 8.05%                              | 0.0172  | 0.0236  |
| Other                      | 0.1530                 | 3.17%                              | 0.1434  | 0.1626  |
| Total Regular              | 0.1734                 | 3.10%                              | 0.1628  | 0.1840  |
| Nonprofit Standard         |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.0023                 | 15.95%                             | 0.0016  | 0.0030  |
| Other                      | 0.0364                 | 4.04%                              | 0.0335  | 0.0393  |
| Total Nonprofit            | 0.0388                 | 3.96%                              | 0.0358  | 0.0418  |
| TOTAL STANDARD             | 0.2122                 | 3.03%                              | 0.1995  | 0.2249  |
| <b>PACKAGE SERVICES</b>    |                        |                                    |   |   |
| Parcel Post                | 0.0000                 | 95.75%                             | 0.0000  | 0.0000  |
| Bound Printed Matter       | 0.0000                 | 79.56%                             | 0.0000  | 0.0000  |
| Special Standard           | 0.0000                 | 77.28%                             | 0.0000  | 0.0000  |
| Library                    | 0.0000                 | 0.00%                              | 0.0000  | 0.0000  |
| TOTAL PACKAGE              | 0.0001                 | 51.96%                             | 0.0000  | 0.0002  |
| <b>SERVICES</b>            |                        |                                    |   |   |
| U. S. POSTAL SERVICE       | 0.0020                 | 15.33%                             | 0.0014  | 0.0026  |
| FREE for BLIND &<br>HNDCPD | 0.0001                 | 38.27%                             | 0.0000  | 0.0002  |
| INTERNATIONAL MAIL         | 0.0036                 | 7.81%                              | 0.0030  | 0.0042  |
| TOTAL MAIL                 | 1.0000                 |                                    |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

TABLE 2: Fiscal Year 2000 Proportions of Flat Shaped Mail Volume and Associated Confidence Limits – Single Delivery Residential

| Mail Class                  | Proportion of Total | C.V. <sup>1</sup> of Proportion | Lower 95% Confidence Limit <sup>2</sup> | Upper 95% Confidence Limit <sup>2</sup> |
|-----------------------------|---------------------|---------------------------------|---|---|
| <b>FIRST-CLASS MAIL</b>     |                     |                                 |   |   |
| Letters & Parcels           | 0.0428              | 1.44%                           | 0.0416                                  | 0.0440                                  |
| Presort Letters & Parcels   | 0.0112              | 3.16%                           | 0.0105                                  | 0.0119                                  |
| Private Mailing Cards       | 0.0000              | 0.00%                           | 0.0000                                  | 0.0000                                  |
| Presort Private Cards       | 0.0000              | 0.00%                           | 0.0000                                  | 0.0000                                  |
| TOTAL FIRST-CLASS           | 0.0540              | 1.42%                           | 0.0525                                  | 0.0555                                  |
| PRIORITY EXPRESS            | 0.0048              | 3.46%                           | 0.0045                                  | 0.0051                                  |
| MAILGRAMS                   | 0.0007              | 10.54%                          | 0.0006                                  | 0.0008                                  |
| PERIODICALS                 | 0.0000              | 0.00%                           | 0.0000                                  | 0.0000                                  |
| STANDARD MAIL               | 0.1780              | 0.97%                           | 0.1746                                  | 0.1814                                  |
| <b>Regular Standard</b>     |                     |                                 |   |   |
| Enhanced Carrier Route      | 0.4647              | 0.74%                           | 0.4579                                  | 0.4715                                  |
| Other                       | 0.2412              | 0.96%                           | 0.2366                                  | 0.2458                                  |
| Total Regular               | 0.7059              | 0.30%                           | 0.7017                                  | 0.7101                                  |
| <b>Nonprofit Standard</b>   |                     |                                 |   |   |
| Enhanced Carrier Route      | 0.0168              | 5.92%                           | 0.0148                                  | 0.0188                                  |
| Other                       | 0.0356              | 1.98%                           | 0.0342                                  | 0.0370                                  |
| Total Nonprofit             | 0.0524              | 2.30%                           | 0.0500                                  | 0.0548                                  |
| TOTAL STANDARD              | 0.7583              | 0.22%                           | 0.7550                                  | 0.7616                                  |
| <b>PACKAGE SERVICES</b>     |                     |                                 |   |   |
| Parcel Post                 | 0.0001              | 20.08%                          | 0.0001                                  | 0.0001                                  |
| Bound Printed Matter        | 0.0025              | 5.01%                           | 0.0023                                  | 0.0027                                  |
| Special Standard            | 0.0004              | 12.37%                          | 0.0003                                  | 0.0005                                  |
| Library                     | 0.0001              | 19.71%                          | 0.0001                                  | 0.0001                                  |
| TOTAL PACKAGE SERVICES      | 0.0031              | 4.52%                           | 0.0028                                  | 0.0034                                  |
| <b>U. S. POSTAL SERVICE</b> |                     |                                 |   |   |
| FREE for BLIND & HNDCPD     | 0.0001              | 20.89%                          | 0.0001                                  | 0.0001                                  |
| INTERNATIONAL MAIL          | 0.0001              | 17.28%                          | 0.0001                                  | 0.0001                                  |
| TOTAL MAIL                  | 1.0000              |                                 |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
 Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

TABLE 2: (Continued)  
Multiple Delivery Residential Stops

| Mail Class                | Proportion of Total | C.V. <sup>1</sup> of Proportion | Lower 95% Confidence Limit <sup>2</sup> | Upper 95% Confidence Limit <sup>2</sup> |
|---------------------------|---------------------|---------------------------------|---|---|
| FIRST-CLASS MAIL          |                     |                                 |   |   |
| Letters & Parcels         | 0.0455              | 3.94%                           | 0.0420                                  | 0.0490                                  |
| Presort Letters & Parcels | 0.0116              | 9.15%                           | 0.0095                                  | 0.0137                                  |
| Private Mailing Cards     | 0.0000              | 0.00%                           | 0.0000                                  | 0.0000                                  |
| Presort Private Cards     | 0.0000              | 0.00%                           | 0.0000                                  | 0.0000                                  |
| TOTAL FIRST-CLASS         | 0.0571              | 4.07%                           | 0.0525                                  | 0.0617                                  |
| PRIORITY                  | 0.0062              | 8.36%                           | 0.0052                                  | 0.0072                                  |
| EXPRESS                   | 0.0006              | 22.10%                          | 0.0003                                  | 0.0009                                  |
| MAILGRAMS                 | 0.0000              | 0.00%                           | 0.0000                                  | 0.0000                                  |
| PERIODICALS               | 0.1584              | 3.22%                           | 0.1484                                  | 0.1684                                  |
| STANDARD MAIL             |                     |                                 |   |   |
| Regular Standard          |                     |                                 |   |   |
| Enhanced Carrier Route    | 0.5339              | 2.95%                           | 0.5029                                  | 0.5649                                  |
| Other                     | 0.1957              | 3.30%                           | 0.1830                                  | 0.2084                                  |
| Total Regular             | 0.7296              | 2.43%                           | 0.6947                                  | 0.7645                                  |
| Nonprofit Standard        |                     |                                 |   |   |
| Enhanced Carrier Route    | 0.0188              | 18.37%                          | 0.0120                                  | 0.0256                                  |
| Other                     | 0.0242              | 4.79%                           | 0.0219                                  | 0.0265                                  |
| Total Nonprofit           | 0.043               | 8.44%                           | 0.0359                                  | 0.0501                                  |
| TOTAL STANDARD            | 0.7726              | 2.39%                           | 0.7362                                  | 0.8090                                  |
| PACKAGE SERVICES          |                     |                                 |   |   |
| Parcel Post               | 0.0002              | 39.12%                          | 0.0000                                  | 0.0004                                  |
| Bound Printed Matter      | 0.0026              | 12.52%                          | 0.0020                                  | 0.0032                                  |
| Special Standard          | 0.0005              | 22.63%                          | 0.0003                                  | 0.0007                                  |
| Library                   | 0.0001              | 48.78%                          | 0.0000                                  | 0.0002                                  |
| TOTAL PACKAGE             | 0.0034              | 10.77%                          | 0.0027                                  | 0.0041                                  |
| SERVICES                  |                     |                                 |   |   |
| U. S. POSTAL SERVICE      | 0.0002              | 43.81%                          | 0.0000                                  | 0.0004                                  |
| FREE for BLIND & HNDCPD   | 0.0002              | 30.77%                          | 0.0001                                  | 0.0003                                  |
| INTERNATIONAL MAIL        | 0.0013              | 22.90%                          | 0.0007                                  | 0.0019                                  |
| TOTAL MAIL                | 1.0000              |                                 |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

TABLE 2: (Continued)  
Business and Mixed Stops

| Mail Class                 | Proportion<br>of Total | C.V. <sup>1</sup> of<br>Proportion | Lower 95%<br>Confidence<br>Limit <sup>2</sup> | Upper 95%<br>Confidence<br>Limit <sup>2</sup> |
|----------------------------|------------------------|------------------------------------|---|---|
| FIRST-CLASS MAIL           |                        |                                    |   |   |
| Letters & Parcels          | 0.2036                 | 4.00%                              | 0.1876  | 0.2196  |
| Presort Letters & Parcels  | 0.0270                 | 5.94%                              | 0.0238  | 0.0302  |
| Private Mailing Cards      | 0.0000                 | 0.00%                              | 0.0000  | 0.0000  |
| Presort Private Cards      | 0.0000                 | 0.00%                              | 0.0000  | 0.0000  |
| TOTAL FIRST-CLASS          | 0.2305                 | 3.81%                              | 0.2132  | 0.2478  |
| PRIORITY                   | 0.0203                 | 5.18%                              | 0.0182  | 0.0224  |
| EXPRESS                    | 0.0016                 | 16.08%                             | 0.0011  | 0.0021  |
| MAILGRAMS                  | 0.0000                 | 0.00%                              | 0.0000  | 0.0000  |
| PERIODICALS                | 0.2022                 | 3.22%                              | 0.1894  | 0.2150  |
| STANDARD MAIL              |                        |                                    |   |   |
| Regular Standard           |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.1621                 | 4.07%                              | 0.1491  | 0.1751  |
| Other                      | 0.3013                 | 2.91%                              | 0.2840  | 0.3186  |
| Total Regular              | 0.4634                 | 2.66%                              | 0.4391  | 0.4877  |
| Nonprofit Standard         |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.0277                 | 11.59%                             | 0.0214  | 0.0340  |
| Other                      | 0.0389                 | 4.85%                              | 0.0352  | 0.0426  |
| Total Nonprofit            | 0.0666                 | 5.71%                              | 0.0591  | 0.0741  |
| TOTAL STANDARD             | 0.5300                 | 2.69%                              | 0.5019  | 0.5581  |
| PACKAGE SERVICES           |                        |                                    |   |   |
| Parcel Post                | 0.0002                 | 40.47%                             | 0.0000  | 0.0004  |
| Bound Printed Matter       | 0.0094                 | 14.66%                             | 0.0067  | 0.0121  |
| Special Standard           | 0.0010                 | 14.85%                             | 0.0007  | 0.0013  |
| Library                    | 0.0002                 | 31.97%                             | 0.0001  | 0.0003  |
| TOTAL PACKAGE              | 0.0107                 | 13.06%                             | 0.0079  | 0.0135  |
| SERVICES                   |                        |                                    |   |   |
| U. S. POSTAL SERVICE       | 0.0002                 | 43.69%                             | 0.0000  | 0.0004  |
| FREE for BLIND &<br>HNDCPD | 0.0002                 | 60.02%                             | 0.0000  | 0.0004  |
| INTERNATIONAL MAIL         | 0.0042                 | 16.48%                             | 0.0028  | 0.0056  |
| TOTAL MAIL                 | 1.0000                 |                                    |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

TABLE 3: Fiscal Year 2000 Proportions of Parcel Shaped Mail Volume and Associated Confidence Limits – Single Delivery Residential

| Mail Class                  | Proportion of Total | C.V. <sup>1</sup> of Proportion | Lower 95% Confidence Limit <sup>2</sup> | Upper 95% Confidence Limit <sup>2</sup> |
|-----------------------------|---------------------|---------------------------------|---|---|
| <b>FIRST-CLASS MAIL</b>     |                     |                                 |   |   |
| Letters & Parcels           | 0.1382              | 1.44%                           | 0.1343                                  | 0.1421                                  |
| Presort Letters & Parcels   | 0.0083              | 3.16%                           | 0.0078                                  | 0.0088                                  |
| Private Mailing Cards       | 0.0000              | 0.00%                           | 0.0000                                  | 0.0000                                  |
| Presort Private Cards       | 0.0000              | 0.00%                           | 0.0000                                  | 0.0000                                  |
| TOTAL FIRST-CLASS           | 0.1465              | 1.42%                           | 0.1424                                  | 0.1506                                  |
| PRIORITY                    | 0.2232              | 3.46%                           | 0.2080                                  | 0.2384                                  |
| EXPRESS                     | 0.0016              | 10.54%                          | 0.0013                                  | 0.0019                                  |
| MAILGRAMS                   | 0.0000              | 0.00%                           | 0.0000                                  | 0.0000                                  |
| PERIODICALS                 | 0.0256              | 0.97%                           | 0.0251                                  | 0.0261                                  |
| <b>STANDARD MAIL</b>        |                     |                                 |   |   |
| Regular Standard            |                     |                                 |   |   |
| Enhanced Carrier Route      | 0.0264              | 0.74%                           | 0.0260                                  | 0.0268                                  |
| Other                       | 0.2818              | 0.96%                           | 0.2765                                  | 0.2871                                  |
| Total Regular               | 0.3082              | 0.30%                           | 0.3064                                  | 0.3100                                  |
| Nonprofit Standard          |                     |                                 |   |   |
| Enhanced Carrier Route      | 0.0015              | 5.92%                           | 0.0013                                  | 0.0017                                  |
| Other                       | 0.0184              | 1.98%                           | 0.0177                                  | 0.0191                                  |
| Total Nonprofit             | 0.0199              | 2.30%                           | 0.0190                                  | 0.0208                                  |
| TOTAL STANDARD              | 0.3280              | 0.22%                           | 0.3266                                  | 0.3294                                  |
| <b>PACKAGE SERVICES</b>     |                     |                                 |   |   |
| Parcel Post                 | 0.1264              | 20.08%                          | 0.0764                                  | 0.1764                                  |
| Bound Printed Matter        | 0.0922              | 5.01%                           | 0.0831                                  | 0.1013                                  |
| Special Standard            | 0.0364              | 12.37%                          | 0.0275                                  | 0.0453                                  |
| Library                     | 0.0040              | 19.71%                          | 0.0024                                  | 0.0056                                  |
| TOTAL PACKAGE SERVICES      | 0.2589              | 4.52%                           | 0.2358                                  | 0.2820                                  |
| <b>U. S. POSTAL SERVICE</b> |                     |                                 |   |   |
| FREE for BLIND & HNDCPD     | 0.0005              | 20.89%                          | 0.0003                                  | 0.0007                                  |
| INTERNATIONAL MAIL          | 0.0078              | 17.28%                          | 0.0051                                  | 0.0105                                  |
| TOTAL MAIL                  | 1.0000              |                                 |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
 Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

TABLE 3: (Continued)  
Multiple Delivery Residential Stops

| Mail Class                 | Proportion<br>of Total | C.V. <sup>1</sup> of<br>Proportion | Lower 95%<br>Confidence<br>Limit <sup>2</sup> | Upper 95%<br>Confidence<br>Limit <sup>2</sup> |
|----------------------------|------------------------|------------------------------------|---|---|
| FIRST-CLASS MAIL           |                        |                                    |   |   |
| Letters & Parcels          | 0.1326                 | 6.54%                              | 0.1155  | 0.1497  |
| Presort Letters & Parcels  | 0.0166                 | 60.67%                             | 0.0000  | 0.0364  |
| Private Mailing Cards      | 0.0000                 | 0.00%                              | 0.0000  | 0.0000  |
| Presort Private Cards      | 0.0000                 | 0.00%                              | 0.0000  | 0.0000  |
| TOTAL FIRST-CLASS          | 0.1493                 | 8.69%                              | 0.1237  | 0.1749  |
| PRIORITY                   | 0.2306                 | 5.88%                              | 0.2039  | 0.2573  |
| EXPRESS                    | 0.0023                 | 38.51%                             | 0.0006  | 0.0040  |
| MAILGRAMS                  | 0.0000                 | 0.00%                              | 0.0000  | 0.0000  |
| PERIODICALS                | 0.0241                 | 20.46%                             | 0.0144  | 0.0338  |
| STANDARD MAIL              |                        |                                    |   |   |
| Regular Standard           |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.0277                 | 35.62%                             | 0.0083  | 0.0471  |
| Other                      | 0.2930                 | 5.17%                              | 0.2632  | 0.3228  |
| Total Regular              | 0.3207                 | 5.46%                              | 0.2862  | 0.3552  |
| Nonprofit Standard         |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.0020                 | 94.99%                             | 0.0000  | 0.0057  |
| Other                      | 0.0118                 | 17.97%                             | 0.0076  | 0.0160  |
| Total Nonprofit            | 0.0138                 | 20.74%                             | 0.0082  | 0.0194  |
| TOTAL STANDARD             | 0.3345                 | 5.32%                              | 0.2994  | 0.3696  |
| PACKAGE SERVICES           |                        |                                    |   |   |
| Parcel Post                | 0.1057                 | 8.05%                              | 0.0889  | 0.1225  |
| Bound Printed Matter       | 0.0786                 | 7.85%                              | 0.0664  | 0.0908  |
| Special Standard           | 0.0416                 | 11.08%                             | 0.0325  | 0.0507  |
| Library                    | 0.0071                 | 47.40%                             | 0.0005  | 0.0137  |
| TOTAL PACKAGE              | 0.2330                 | 5.67%                              | 0.2070  | 0.2590  |
| SERVICES                   |                        |                                    |   |   |
| U. S. POSTAL SERVICE       | 0.0002                 | 100.00%                            | 0.0000  | 0.0006  |
| FREE for BLIND &<br>HNDCPD | 0.0135                 | 26.40%                             | 0.0065  | 0.0205  |
| INTERNATIONAL MAIL         | 0.0125                 | 18.72%                             | 0.0079  | 0.0171  |
| TOTAL MAIL                 | 1.0000                 |                                    |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)



TABLE 3: (Continued)  
Business and Mixed Stops

| Mail Class                 | Proportion<br>of Total | C.V. <sup>1</sup> of<br>Proportion | Lower 95%<br>Confidence<br>Limit <sup>2</sup> | Upper 95%<br>Confidence<br>Limit <sup>2</sup> |
|----------------------------|------------------------|------------------------------------|---|---|
| FIRST-CLASS MAIL           |                        |                                    |   |   |
| Letters & Parcels          | 0.2016                 | 5.86%                              | 0.1783  | 0.2249  |
| Presort Letters & Parcels  | 0.0079                 | 25.71%                             | 0.0039  | 0.0119  |
| Private Mailing Cards      | 0.0000                 | 0.00%                              | 0.0000  | 0.0000  |
| Presort Private Cards      | 0.0000                 | 0.00%                              | 0.0000  | 0.0000  |
| TOTAL FIRST-CLASS          | 0.2095                 | 5.79%                              | 0.1856  | 0.2334  |
| PRIORITY                   | 0.3272                 | 5.17%                              | 0.2939  | 0.3605  |
| EXPRESS                    | 0.0285                 | 30.50%                             | 0.0114  | 0.0456  |
| MAILGRAMS                  | 0.0000                 | 0.00%                              | 0.0000  | 0.0000  |
| PERIODICALS                | 0.0440                 | 12.12%                             | 0.0335  | 0.0545  |
| STANDARD MAIL              |                        |                                    |   |   |
| Regular Standard           |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.0085                 | 35.15%                             | 0.0026  | 0.0144  |
| Other                      | 0.1417                 | 9.28%                              | 0.1158  | 0.1676  |
| Total Regular              | 0.1501                 | 8.92%                              | 0.1237  | 0.1765  |
| Nonprofit Standard         |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.0013                 | 74.07%                             | 0.0000  | 0.0032  |
| Other                      | 0.0063                 | 26.55%                             | 0.0030  | 0.0096  |
| Total Nonprofit            | 0.0076                 | 25.40%                             | 0.0038  | 0.0114  |
| TOTAL STANDARD             | 0.1577                 | 8.60%                              | 0.1310  | 0.1844  |
| PACKAGE SERVICES           |                        |                                    |   |   |
| Parcel Post                | 0.0908                 | 8.14%                              | 0.0762  | 0.1054  |
| Bound Printed Matter       | 0.1165                 | 8.27%                              | 0.0975  | 0.1355  |
| Special Standard           | 0.0322                 | 13.23%                             | 0.0238  | 0.0406  |
| Library                    | 0.0057                 | 25.49%                             | 0.0028  | 0.0086  |
| TOTAL PACKAGE              | 0.2452                 | 5.73%                              | 0.2175  | 0.2729  |
| SERVICES                   |                        |                                    |   |   |
| U. S. POSTAL SERVICE       | 0.0007                 | 62.36%                             | 0.0000  | 0.0016  |
| FREE for BLIND &<br>HNDCPD | 0.0035                 | 57.07%                             | 0.0000  | 0.0074  |
| INTERNATIONAL MAIL         | 0.0092                 | 20.03%                             | 0.0056  | 0.0128  |
| TOTAL MAIL                 | 1.0000                 |                                    |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

TABLE 4: Fiscal Year 2000 Proportions of All Shapes Mail Volume and Associated Confidence Limits – Single Delivery Residential

| Mail Class                  | Proportion of Total | C.V. <sup>1</sup> of Proportion | Lower 95% Confidence Limit <sup>2</sup> | Upper 95% Confidence Limit <sup>2</sup> |
|-----------------------------|---------------------|---------------------------------|---|---|
| <b>FIRST-CLASS MAIL</b>     |                     |                                 |   |   |
| Letters & Parcels           | 0.1523              | 0.61%                           | 0.1505                                  | 0.1541                                  |
| Presort Letters & Parcels   | 0.2454              | 0.52%                           | 0.2429                                  | 0.2479                                  |
| Private Mailing Cards       | 0.0150              | 1.45%                           | 0.0146                                  | 0.0154                                  |
| Presort Private Cards       | 0.0133              | 2.36%                           | 0.0127                                  | 0.0139                                  |
| TOTAL FIRST-CLASS           | 0.4260              | 0.31%                           | 0.4234                                  | 0.4286                                  |
| PRIORITY                    | 0.0043              | 1.87%                           | 0.0041                                  | 0.0045                                  |
| EXPRESS                     | 0.0002              | 8.97%                           | 0.0002                                  | 0.0002                                  |
| MAILGRAMS                   | 0.0001              | 10.03%                          | 0.0001                                  | 0.0001                                  |
| PERIODICALS                 | 0.0525              | 0.87%                           | 0.0516                                  | 0.0534                                  |
| <b>STANDARD MAIL</b>        |                     |                                 |   |   |
| Regular Standard            |                     |                                 |   |   |
| Enhanced Carrier Route      | 0.2085              | 0.90%                           | 0.2048                                  | 0.2122                                  |
| Other                       | 0.2277              | 0.44%                           | 0.2257                                  | 0.2297                                  |
| Total Regular               | 0.4363              | 0.33%                           | 0.4335                                  | 0.4391                                  |
| Nonprofit Standard          |                     |                                 |   |   |
| Enhanced Carrier Route      | 0.0106              | 4.09%                           | 0.0097                                  | 0.0115                                  |
| Other                       | 0.0626              | 0.82%                           | 0.0616                                  | 0.0636                                  |
| Total Nonprofit             | 0.0732              | 0.91%                           | 0.0719                                  | 0.0745                                  |
| TOTAL STANDARD              | 0.5095              | 0.25%                           | 0.5070                                  | 0.5120                                  |
| <b>PACKAGE SERVICES</b>     |                     |                                 |   |   |
| Parcel Post                 | 0.0016              | 2.84%                           | 0.0015                                  | 0.0017                                  |
| Bound Printed Matter        | 0.0018              | 2.88%                           | 0.0017                                  | 0.0019                                  |
| Special Standard            | 0.0006              | 4.94%                           | 0.0005                                  | 0.0007                                  |
| Library                     | 0.0001              | 11.76%                          | 0.0001                                  | 0.0001                                  |
| TOTAL PACKAGE SERVICES      | 0.0041              | 1.95%                           | 0.0039                                  | 0.0043                                  |
| <b>U. S. POSTAL SERVICE</b> |                     |                                 |   |   |
| FREE for BLIND & HNDCPD     | 0.0009              | 14.44%                          | 0.0006                                  | 0.0012                                  |
| INTERNATIONAL MAIL          | 0.0002              | 8.53%                           | 0.0002                                  | 0.0002                                  |
| TOTAL MAIL                  | 1                   |                                 |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
 Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

TABLE 4: (Continued)  
Multiple Delivery Residential Stops

| Mail Class                 | Proportion<br>of Total | C.V. <sup>1</sup> of<br>Proportion | Lower 95%<br>Confidence<br>Limit <sup>2</sup> | Upper 95%<br>Confidence<br>Limit <sup>2</sup> |
|----------------------------|------------------------|------------------------------------|---|---|
| FIRST-CLASS MAIL           |                        |                                    |   |   |
| Letters & Parcels          | 0.1495                 | 2.01%                              | 0.1436  | 0.1554  |
| Presort Letters & Parcels  | 0.2691                 | 1.90%                              | 0.2590  | 0.2792  |
| Private Mailing Cards      | 0.0137                 | 3.81%                              | 0.0127  | 0.0147  |
| Presort Private Cards      | 0.0126                 | 6.57%                              | 0.0110  | 0.0142  |
| TOTAL FIRST-CLASS          | 0.4449                 | 1.70%                              | 0.4300  | 0.4598  |
| PRIORITY                   | 0.0047                 | 5.19%                              | 0.0042  | 0.0052  |
| EXPRESS                    | 0.0002                 | 18.46%                             | 0.0001  | 0.0003  |
| MAILGRAMS                  | 0.0001                 | 26.59%                             | 0.0000  | 0.0002  |
| PERIODICALS                | 0.0450                 | 2.76%                              | 0.0426  | 0.0474  |
| STANDARD MAIL              |                        |                                    |   |   |
| Regular Standard           |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.2381                 | 2.86%                              | 0.2247  | 0.2515  |
| Other                      | 0.1995                 | 1.95%                              | 0.1918  | 0.2072  |
| Total Regular              | 0.4357                 | 1.96%                              | 0.4189  | 0.4525  |
| Nonprofit Standard         |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.0099                 | 11.73%                             | 0.0076  | 0.0122  |
| Other                      | 0.0502                 | 2.82%                              | 0.0474  | 0.0530  |
| Total Nonprofit            | 0.0601                 | 3.12%                              | 0.0564  | 0.0638  |
| TOTAL STANDARD             | 0.4958                 | 1.85%                              | 0.4777  | 0.5139  |
| PACKAGE SERVICES           |                        |                                    |   |   |
| Parcel Post                | 0.0013                 | 7.97%                              | 0.0011  | 0.0015  |
| Bound Printed Matter       | 0.0016                 | 6.92%                              | 0.0014  | 0.0018  |
| Special Standard           | 0.0006                 | 9.87%                              | 0.0005  | 0.0007  |
| Library                    | 0.0001                 | 37.73%                             | 0.0000  | 0.0002  |
| TOTAL PACKAGE              | 0.0037                 | 5.08%                              | 0.0033  | 0.0041  |
| SERVICES                   |                        |                                    |   |   |
| U. S. POSTAL SERVICE       | 0.0024                 | 36.47%                             | 0.0007  | 0.0041  |
| FREE for BLIND &<br>HNDCPD | 0.0004                 | 24.60%                             | 0.0002  | 0.0006  |
| INTERNATIONAL MAIL         | 0.0029                 | 5.99%                              | 0.0026  | 0.0032  |
| TOTAL MAIL                 | 1                      |                                    |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

TABLE 4: (Continued)  
Business and Mixed Stops

| Mail Class                 | Proportion<br>of Total | C.V. <sup>1</sup> of<br>Proportion | Lower 95%<br>Confidence<br>Limit <sup>2</sup> | Upper 95%<br>Confidence<br>Limit <sup>2</sup> |
|----------------------------|------------------------|------------------------------------|---|---|
| FIRST-CLASS MAIL           |                        |                                    |   |   |
| Letters & Parcels          | 0.4050                 | 2.50%                              | 0.3851  | 0.4249  |
| Presort Letters & Parcels  | 0.2004                 | 2.66%                              | 0.1899  | 0.2109  |
| Private Mailing Cards      | 0.0150                 | 5.25%                              | 0.0134  | 0.0166  |
| Presort Private Cards      | 0.0083                 | 7.74%                              | 0.0070  | 0.0096  |
| TOTAL FIRST-CLASS          | 0.6288                 | 2.29%                              | 0.6004  | 0.6572  |
| PRIORITY                   | 0.0103                 | 4.02%                              | 0.0095  | 0.0111  |
| EXPRESS                    | 0.0005                 | 13.96%                             | 0.0004  | 0.0006  |
| MAILGRAMS                  | 0.0000                 | 34.71%                             | 0.0000  | 0.0000  |
| PERIODICALS                | 0.0559                 | 3.11%                              | 0.0525  | 0.0593  |
| STANDARD MAIL              |                        |                                    |   |   |
| Regular Standard           |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.0565                 | 4.06%                              | 0.0520  | 0.0610  |
| Other                      | 0.1907                 | 2.57%                              | 0.1810  | 0.2004  |
| Total Regular              | 0.2472                 | 2.51%                              | 0.2350  | 0.2594  |
| Nonprofit Standard         |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.0088                 | 10.41%                             | 0.0070  | 0.0106  |
| Other                      | 0.0366                 | 3.60%                              | 0.0340  | 0.0392  |
| Total Nonprofit            | 0.0454                 | 3.66%                              | 0.0421  | 0.0487  |
| TOTAL STANDARD             | 0.2926                 | 2.52%                              | 0.2781  | 0.3071  |
| PACKAGE SERVICES           |                        |                                    |   |   |
| Parcel Post                | 0.0014                 | 8.05%                              | 0.0012  | 0.0016  |
| Bound Printed Matter       | 0.0041                 | 9.43%                              | 0.0033  | 0.0049  |
| Special Standard           | 0.0007                 | 10.51%                             | 0.0006  | 0.0008  |
| Library                    | 0.0001                 | 20.60%                             | 0.0001  | 0.0001  |
| TOTAL PACKAGE              | 0.0064                 | 6.78%                              | 0.0055  | 0.0073  |
| SERVICES                   |                        |                                    |   |   |
| U. S. POSTAL SERVICE       | 0.0016                 | 14.89%                             | 0.0011  | 0.0021  |
| FREE for BLIND &<br>HNDCPD | 0.0001                 | 30.82%                             | 0.0000  | 0.0002  |
| INTERNATIONAL MAIL         | 0.0008                 | 9.00%                              | 0.0007  | 0.0009  |
| TOTAL MAIL                 | 1                      |                                    |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

TABLE 5: DPS Letters – Rural Carrier Cost – FY 2000 Proportions of Mail Volume Used for Cost Distributions

| Mail Class                | Proportion of Total | C.V. <sup>1</sup> of Proportion | Lower 95% Confidence Limit <sup>2</sup> | Upper 95% Confidence Limit <sup>2</sup> |
|---------------------------|---------------------|---------------------------------|---|---|
| <b>FIRST-CLASS MAIL</b>   |                     |                                 |   |   |
| Letters & Parcels         | 0.2413              | 0.84%                           | 0.2373                                  | 0.2453                                  |
| Presort Letters & Parcels | 0.4028              | 0.56%                           | 0.3984                                  | 0.4072                                  |
| Private Mailing Cards     | 0.0144              | 2.32%                           | 0.0137                                  | 0.0151                                  |
| Presort Private Cards     | 0.0158              | 3.29%                           | 0.0148                                  | 0.0168                                  |
| TOTAL FIRST-CLASS         | 0.6743              | 0.34%                           | 0.6698                                  | 0.6788                                  |
| PRIORITY                  | 0.0002              | 42.30%                          | 0.0000                                  | 0.0004                                  |
| EXPRESS                   | 0.0000              | 0.00%                           | 0.0000                                  | 0.0000                                  |
| MAILGRAMS                 | 0.0000              | 55.48%                          | 0.0000                                  | 0.0000                                  |
| PERIODICALS               | 0.0016              | 5.23%                           | 0.0014                                  | 0.0018                                  |
| <b>STANDARD MAIL</b>      |                     |                                 |   |   |
| Regular Standard          |                     |                                 |   |   |
| Enhanced Carrier Route    | 0.0307              | 3.07%                           | 0.0288                                  | 0.0326                                  |
| Other                     | 0.2270              | 0.81%                           | 0.2234                                  | 0.2306                                  |
| Total Regular             | 0.2577              | 0.78%                           | 0.2537                                  | 0.2617                                  |
| Nonprofit Standard        |                     |                                 |   |   |
| Enhanced Carrier Route    | 0.0033              | 7.49%                           | 0.0028                                  | 0.0038                                  |
| Other                     | 0.0610              | 1.22%                           | 0.0595                                  | 0.0625                                  |
| Total Nonprofit           | 0.0643              | 1.23%                           | 0.0627                                  | 0.0659                                  |
| TOTAL STANDARD            | 0.3220              | 0.71%                           | 0.3175                                  | 0.3265                                  |
| <b>PACKAGE SERVICES</b>   |                     |                                 |   |   |
| Parcel Post               | 0.0000              | 30.49%                          | 0.0000                                  | 0.0000                                  |
| Special Standard          | 0.0000              | 56.90%                          | 0.0000                                  | 0.0000                                  |
| Library                   | 0.0000              | 74.85%                          | 0.0000                                  | 0.0000                                  |
| Bound Printed Matter      | 0.0000              | 36.73%                          | 0.0000                                  | 0.0000                                  |
| TOTAL PACKAGE SERVICES    | 0.0001              | 23.13%                          | 0.0001                                  | 0.0001                                  |
| <b>SERVICES</b>           |                     |                                 |   |   |
| U. S. POSTAL SERVICE      | 0.0003              | 9.77%                           | 0.0002                                  | 0.0004                                  |
| FREE for BLIND & HNDCPD   | 0.0000              | 25.28%                          | 0.0000                                  | 0.0000                                  |
| INTERNATIONAL MAIL        | 0.0014              | 4.48%                           | 0.0013                                  | 0.0015                                  |
| TOTAL MAIL                | 1                   |                                 |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
 Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

TABLE 6: Sector Segment Letters – Rural Carrier Cost – FY 2000 Proportions of Mail Volume Used for Cost Distributions

| Mail Class                | Proportion of Total | C.V. <sup>1</sup> of Proportion | Lower 95% Confidence Limit <sup>2</sup> | Upper 95% Confidence Limit <sup>2</sup> |
|---------------------------|---------------------|---------------------------------|---|---|
| <b>FIRST-CLASS MAIL</b>   |                     |                                 |   |   |
| Letters & Parcels         | 0.2444              | 3.32%                           | 0.2284                                  | 0.2604                                  |
| Presort Letters & Parcels | 0.3182              | 3.08%                           | 0.2989                                  | 0.3375                                  |
| Private Mailing Cards     | 0.0130              | 7.06%                           | 0.0112                                  | 0.0148                                  |
| Presort Private Cards     | 0.0139              | 20.33%                          | 0.0083                                  | 0.0195                                  |
| TOTAL FIRST-CLASS         | 0.5895              | 1.87%                           | 0.5678                                  | 0.6112                                  |
| PRIORITY                  | 0.0008              | 88.50%                          | 0.0000                                  | 0.0022                                  |
| EXPRESS                   | 0.0000              | 0.00%                           | 0.0000                                  | 0.0000                                  |
| MAILGRAMS                 | 0.0000              | 73.12%                          | 0.0000                                  | 0.0000                                  |
| PERIODICALS               | 0.0042              | 13.32%                          | 0.0031                                  | 0.0053                                  |
| <b>STANDARD MAIL</b>      |                     |                                 |   |   |
| Regular Standard          |                     |                                 |   |   |
| Enhanced Carrier Route    | 0.1107              | 8.32%                           | 0.0926                                  | 0.1288                                  |
| Other                     | 0.2211              | 3.23%                           | 0.2070                                  | 0.2352                                  |
| Total Regular             | 0.3319              | 3.16%                           | 0.3112                                  | 0.3526                                  |
| Nonprofit Standard        |                     |                                 |   |   |
| Enhanced Carrier Route    | 0.0062              | 18.74%                          | 0.0039                                  | 0.0085                                  |
| Other                     | 0.0637              | 5.24%                           | 0.0571                                  | 0.0703                                  |
| Total Nonprofit           | 0.0700              | 5.11%                           | 0.0630                                  | 0.0770                                  |
| TOTAL STANDARD            | 0.4018              | 2.77%                           | 0.3799                                  | 0.4237                                  |
| <b>PACKAGE SERVICES</b>   |                     |                                 |   |   |
| Parcel Post               | 0.0001              | 59.27%                          | 0.0000                                  | 0.0002                                  |
| Special Standard          | 0.0000              | 38.90%                          | 0.0000                                  | 0.0000                                  |
| Library                   | 0.0000              | 100.00%                         | 0.0000                                  | 0.0000                                  |
| Bound Printed Matter      | 0.0002              | 52.23%                          | 0.0000                                  | 0.0004                                  |
| TOTAL PACKAGE SERVICES    | 0.0003              | 34.64%                          | 0.0001                                  | 0.0005                                  |
| <b>SERVICES</b>           |                     |                                 |   |   |
| U. S. POSTAL SERVICE      | 0.0005              | 32.60%                          | 0.0002                                  | 0.0008                                  |
| FREE for BLIND & HNDCPD   | 0.0000              | 84.28%                          | 0.0000                                  | 0.0000                                  |
| INTERNATIONAL MAIL        | 0.0027              | 44.72%                          | 0.0003                                  | 0.0051                                  |
| TOTAL MAIL                | 1                   |                                 |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
 Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

TABLE 7: Other Letters – Rural Carrier Cost – FY 2000 Proportions  
of Mail Volume Used for Cost Distributions

| Mail Class                 | Proportion<br>of Total | C.V. <sup>1</sup> of<br>Proportion | Lower 95%<br>Confidence<br>Limit <sup>2</sup> | Upper 95%<br>Confidence<br>Limit <sup>2</sup> |
|----------------------------|------------------------|------------------------------------|---|---|
| <b>FIRST-CLASS MAIL</b>    |                        |                                    |   |   |
| Letters & Parcels          | 0.2583                 | 0.81%                              | 0.2542  | 0.2624  |
| Presort Letters & Parcels  | 0.3139                 | 0.80%                              | 0.3090  | 0.3188  |
| Private Mailing Cards      | 0.0351                 | 1.74%                              | 0.0339  | 0.0363  |
| Presort Private Cards      | 0.0224                 | 3.16%                              | 0.0210  | 0.0238  |
| TOTAL FIRST-CLASS          | 0.6298                 | 0.49%                              | 0.6237  | 0.6359  |
| PRIORITY                   | 0.0002                 | 23.69%                             | 0.0001  | 0.0003  |
| EXPRESS                    | 0.0000                 | 70.69%                             | 0.0000  | 0.0000  |
| MAILGRAMS                  | 0.0000                 | 29.73%                             | 0.0000  | 0.0000  |
| PERIODICALS                | 0.0065                 | 3.59%                              | 0.0060  | 0.0070  |
| <b>STANDARD MAIL</b>       |                        |                                    |   |   |
| Regular Standard           |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.1093                 | 2.78%                              | 0.1033  | 0.1153  |
| Other                      | 0.1779                 | 0.92%                              | 0.1747  | 0.1811  |
| Total Regular              | 0.2872                 | 1.06%                              | 0.2812  | 0.2932  |
| Nonprofit Standard         |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.0086                 | 7.41%                              | 0.0073  | 0.0099  |
| Other                      | 0.0640                 | 1.24%                              | 0.0624  | 0.0656  |
| Total Nonprofit            | 0.0726                 | 1.41%                              | 0.0706  | 0.0746  |
| TOTAL STANDARD             | 0.3599                 | 0.86%                              | 0.3538  | 0.3660  |
| <b>PACKAGE SERVICES</b>    |                        |                                    |   |   |
| Parcel Post                | 0.0000                 | 32.42%                             | 0.0000  | 0.0000  |
| Special Standard           | 0.0000                 | 33.66%                             | 0.0000  | 0.0000  |
| Library                    | 0.0000                 | 100.00%                            | 0.0000  | 0.0000  |
| Bound Printed Matter       | 0.0000                 | 44.60%                             | 0.0000  | 0.0000  |
| TOTAL PACKAGE              | 0.0000                 | 20.53%                             | 0.0000  | 0.0000  |
| <b>SERVICES</b>            |                        |                                    |   |   |
| U. S. POSTAL SERVICE       | 0.0011                 | 20.30%                             | 0.0007  | 0.0015  |
| FREE for BLIND &<br>HNDCPD | 0.0001                 | 14.06%                             | 0.0001  | 0.0001  |
| INTERNATIONAL MAIL         | 0.0022                 | 4.13%                              | 0.0020  | 0.0024  |
| TOTAL MAIL                 | 1                      |                                    |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)

TABLE 8: Flats – Rural Carrier Cost – FY 2000 Proportions  
of Mail Volume Used for Cost Distributions

| Mail Class                 | Proportion<br>of Total | C.V. <sup>1</sup> of<br>Proportion | Lower 95%<br>Confidence<br>Limit <sup>2</sup> | Upper 95%<br>Confidence<br>Limit <sup>2</sup> |
|----------------------------|------------------------|------------------------------------|---|---|
| <b>FIRST-CLASS MAIL</b>    |                        |                                    |   |   |
| Letters & Parcels          | 0.0721                 | 1.20%                              | 0.0704  | 0.0738  |
| Presort Letters & Parcels  | 0.0292                 | 2.36%                              | 0.0278  | 0.0306  |
| Private Mailing Cards      | 0.0000                 | 37.65%                             | 0.0000  | 0.0000  |
| Presort Private Cards      | 0.0000                 | 54.37%                             | 0.0000  | 0.0000  |
| TOTAL FIRST-CLASS          | 0.1013                 | 1.18%                              | 0.0989  | 0.1037  |
| PRIORITY                   | 0.0050                 | 2.94%                              | 0.0047  | 0.0053  |
| EXPRESS                    | 0.0004                 | 9.16%                              | 0.0003  | 0.0005  |
| MAILGRAMS                  | 0.0000                 | 100.00%                            | 0.0000  | 0.0000  |
| PERIODICALS                | 0.1857                 | 0.92%                              | 0.1823  | 0.1891  |
| <b>STANDARD MAIL</b>       |                        |                                    |   |   |
| Regular Standard           |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.3550                 | 0.93%                              | 0.3485  | 0.3615  |
| Other                      | 0.2850                 | 0.75%                              | 0.2808  | 0.2892  |
| Total Regular              | 0.6400                 | 0.38%                              | 0.6352  | 0.6448  |
| Nonprofit Standard         |                        |                                    |   |   |
| Enhanced Carrier Route     | 0.0186                 | 5.21%                              | 0.0167  | 0.0205  |
| Other                      | 0.0423                 | 1.57%                              | 0.0410  | 0.0436  |
| Total Nonprofit            | 0.0609                 | 1.91%                              | 0.0586  | 0.0632  |
| TOTAL STANDARD             | 0.7009                 | 0.31%                              | 0.6966  | 0.7052  |
| <b>PACKAGE SERVICES</b>    |                        |                                    |   |   |
| Parcel Post                | 0.0001                 | 20.55%                             | 0.0001  | 0.0001  |
| Special Standard           | 0.0005                 | 9.29%                              | 0.0004  | 0.0006  |
| Library                    | 0.0001                 | 14.34%                             | 0.0001  | 0.0001  |
| Bound Printed Matter       | 0.0043                 | 6.23%                              | 0.0038  | 0.0048  |
| TOTAL PACKAGE              | 0.0049                 | 5.49%                              | 0.0044  | 0.0054  |
| <b>SERVICES</b>            |                        |                                    |   |   |
| U. S. POSTAL SERVICE       | 0.0005                 | 21.70%                             | 0.0003  | 0.0007  |
| FREE for BLIND &<br>HNDCPD | 0.0032                 | 16.22%                             | 0.0022  | 0.0042  |
| INTERNATIONAL MAIL         | 0.0009                 | 5.16%                              | 0.0008  | 0.0010  |
| TOTAL MAIL                 | 1                      |                                    |   |   |

<sup>1</sup>Coefficient of variation = 100%X(Est. Std. Dev./Est. Proportion)

<sup>2</sup>Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)  
Lower Limit = Estimated Proportion – (1.97XEst. Std. Deviation)