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USPS LR-J-60

(REVISED 11/15/01)

LETTERS/CARDS MAIL PROCESSING COST MODELS AND FEE COST MODELS

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INTRODUCTION

Library reference USPS LR-J-60 is a category 2 library reference sponsored by witness Miller that contains both hardcopies and electronic copies of the cost studies that support his testimony (USPS-T-22). These cost studies include: First-Class Mail letters/cards, Standard Mail letters, Qualified Business Reply Mail (QBRM) letters/cards, First-Class Mail nonstandard surcharge, First-Class Mail and Standard Mail nonautomation presort letters nonmachinable surcharge, and Special Services fees. In addition, this library reference contains a Methods Time Measurement (MTM) analysis for weight averaging letters.

A. FIRST-CLASS MAIL LETTERS/CARDS

This cost study is contained in the EXCEL file FCMREV2.XLS. (The figures were revised on 11/05/01 as described below.) It contains the cost models and cost sheets that are used to develop First-Class Mail total mail processing unit cost estimates and worksharing related savings estimates by rate category for both letters and cards. The results from this study are relied upon by witness Eggleston (USPS-T-25) and witness Robinson (USPS-T-29). The calculations and data inputs used to develop these models are discussed in the testimony of witness Miller (USPS-T-22).

B. STANDARD MAIL LETTERS

This cost study is contained in the EXCEL file STDREV.XLS. It contains the cost models and cost sheets that are used to develop Standard Mail total mail processing unit cost estimates and worksharing related savings estimates by rate category for letters. The results from this study are relied upon by witness Eggleston (USPS-T-25), witness Moeller (USPS-T-32), and witness Taufique (USPS-T-34). The calculations and data inputs used to develop these models are discussed in the testimony of witness Miller (USPS-T-22).

C. QUALIFIED BUSINESS REPLY MAIL (QBRM) LETTERS/CARDS

This cost study uses the same cost models and data inputs as those used for the First-Class Mail letters/cards cost studies. As such, it is also included in the EXCEL file FCMREV2.XLS. This cost study calculates the worksharing related savings estimate for QBRM letters and cards. The results from this analysis are relied upon by witness

Robinson (USPS-T-29). The calculations and data inputs used to develop this cost study are discussed in the testimony of witness Miller (USPS-T-22).

D. FIRST-CLASS MAIL NONSTANDARD SURCHARGE

The First-Class Mail nonstandard surcharge cost study is also found in the EXCEL file FCMREV2.XLS. It contains the additional cost estimates required to process nonstandard First-Class Mail single-piece and presort mail pieces. The results from this analysis are relied upon by witness Robinson (USPS-T-29). The calculations and data inputs used to develop this cost study are discussed in the testimony of witness Miller (USPS-T-22).

E. FIRST-CLASS MAIL AND STANDARD MAIL NONAUTOMATION PRESORT LETTERS NONMACHINABLE SURCHARGE

The First-Class Mail and Standard Mail nonautomation presort letters nonmachinable surcharge cost studies are found in the EXCEL files FCMREV2.XLS and STDREV.XLS, respectively. These cost studies calculate the additional costs required to process nonautomation presort letters that must be processed manually. The results from this analysis are relied upon by witness Robinson (USPS-T-32) and Moeller (USPS-T-32). The calculations and data inputs used to develop this cost study are discussed in the testimony of witness Miller (USPS-T-22).

F. SPECIAL SERVICES FEES

The cost studies for the following Special Services fees are found in the EXCEL file FEES.XLS: annual permit fee, annual accounting fee, QBRM quarterly fee, non-letter size BRM monthly fee, high volume QBRM per-piece fee, basic QBRM per-piece fee, high volume BRM per-piece fee, basic BRM per-piece fee, and non-letter size BRM per-piece fee. The results from these cost studies are relied upon by witness Mayo (USPS-T-36). The calculations and data inputs used to develop this cost study are discussed in the testimony of witness Miller (USPS-T-22).

G. WEIGHT AVERAGING MTM ANALYSIS

The Methods Time Measurement (MTM) analysis that calculates a productivity for weight averaging letters can be found in the EXCEL file WTAVG.XLS. This productivity supports the BRM per-piece fee analyses.

H. 11/05/01 REVISIONS

On November 5th, 2001, several revisions were filed. These revisions are described below and only affect the letters and cards cost models found in the FCMREV2.XLS workbook.

1. Automation Presort Letters Mail Processing Unit Costs

The automation presort letters mail processing unit costs on page 8 were not consistent with those found in USPS LR-J-53. Consequently, the correct figures have been added. This change subsequently affected pages 1, 4, and 7.

2. Automation Presort Cards Mail Processing Unit Costs

The automation presort cards mail processing unit costs on page 9 were not consistent with those found in USPS LR-J-53. Consequently, the correct figures have been added. This change subsequently affected pages 2, 5, and 7.

3. Nonautomation Presort DPS Percentages

The Delivery Point Sequencing (DPS) percentages from the nonautomation presort letters cost models have been included on page 3. In addition, the cumulative value for all nonautomation presort letters has been calculated to support the response to MMA/USPS-T22-19(B).

4. Qualified Business Reply Mail (QBRM) Letters/Cards

The QBRM cost study has been revised based on issues that surfaced in responding to MMA/USPS-T22-25. These revisions affected pages 10, 11, 12, 13, and 14.

5. Bulk Metered Mail (BMM) Letters Cost Model

The title on page 15 has been changed from "First-Class Mail Single-Piece Metered Letters" to "First-Class Mail Bulk Metered Mail (BMM) Letters." The spreadsheet tab for page 15 has also been changed from "METER COSTS" to "BMM LETTERS COSTS."

The title on page 16 has been changed from "First-Class Mail Single-Piece Metered Letters" to "First-Class Mail Bulk Metered Mail (BMM) Letters." The spreadsheet tab for page 16 has also been changed from "METER MODEL" to "BMM LETTERS MODEL."

I. 11/15/01 REVISIONS

On November 15th, 2001, several revisions were filed. These revisions are described below and affect the First-Class Mail letters and cards cost models found in the FCMREV2.XLS workbook and the Standard Mail letters cost models found in the STDREV.XLS workbook. The figures that changed have been shaded in gray in USPS LR-J-60.

1. Bulk Metered Mail Letters Model Costs

The Bulk Metered Mail (BMM) letters mail flow model contained an error that occurred in all instances where mail pieces had to be processed through the Remote Bar Coding System (excluding the handwritten mail flow model, which had to be dealt with separately). The portion of the mail that was accepted by the Multi Line Optical Character Reader Input Sub System (MLOCR-ISS), but was not barcoded, needed to be routed to the Output Sub System (OSS). Consequently, the MLOCR-ISS accept rate was added to pages 51 and 88. The difference between the combined MLOCR-ISS/Remote Computer Read (RCR) finalization rate and the MLOCR-ISS accept rate was used to estimate the volume of mail to be routed to the OSS. This change affected the mail flows on page 16 and the subsequent costs calculated on page 15. In addition, the BMM letters CRA adjustments factor also changed which affected the QBRM analysis found on page 10 and the nonstandard cost models found on pages 41 and 43. The nonstandard cost models, in turn, affected the nonstandard surcharge estimate calculated on page 45.

2. Nonautomation Presort Letters and Cards Model Costs

Two revisions were made to the models. Both revisions affected the total mail processing unit cost estimates calculated on pages 3 and 57, as well as the worksharing related savings estimates calculated on pages 1 and 55. In addition, these changes affected the nonmachinable surcharge estimates calculated on pages 6 and 50.

First, the nonautomation machinable mail flow models found on pages 18, 20, 62, and 64 contained the same error that was contained in the BMM letters mail flow model. The mail flows changed slightly affecting the respective costs sheets found on pages 17, 19, 61, and 63.

Second, the nonautomation nonmachinable package sorting costs that were calculated on pages 54, 91, and 92 were calculated based on tray presort level rather than package presort level and were not disaggregated to the proper level. These issues have been resolved.

3. Delivery Unit Costs

As a result of the changes described above, the percent of mail sorted in Delivery Point Sequence (DPS) in the nonautomation machinable letters cost models changed slightly. These percentages subsequently affected some delivery unit cost estimates. The revised delivery unit costs, in turn, affected the worksharing related savings estimates found on pages 1 and 55.

4. Qualified Business Reply Mail (QBRM) Letters/Cards

The handwritten mail flow model on page 12 contained an error. Handwritten mail pieces have their images lifted on the Advanced Facer Canceler System Input Sub System (AFCS-ISS). The handwritten reply mail images are routed directly to the RCR system. Consequently, the usage of the combined MLOCR-ISS/RCR rate was not appropriate. A per-piece RCR cost was calculated on the cost sheet on page 11 and applied to the volume that flowed through that operation in the revised mail flow model on page 12. Given that the handwritten reply mail letter costs changed, the QBRM worksharing related savings estimate found on page 10 also changed.

4. Nonstandard Surcharge

The error that was discussed above in the BMM letters mail flow model also affected the nonstandard single-piece letter and nonstandard presort letter mail flow models found on pages 42 and 44, respectively. The mail volumes flowing through those models changed, which affected the costs found on pages 41 and 43. These cost estimates, in turn, affected the nonstandard surcharge estimate found on page 45.

5. First-Class Mail Single-Piece Machinable and Nonmachinable Cost Models

Cost models were added to pages 40A, 40B, 40C, and 40D to estimate the difference between a machinable single-piece letter (machine printed address) and a nonmachinable single-piece letter as discussed in response to Presiding Officer's Information Request (POIR) No. 4, Question 9a.

FIRST-CLASS MAIL PRESORT LETTERS SUMMARY

BENCHMARK RATE CATEGORY	(1) MAIL PROC TOTAL UNIT COST	(2) MAIL PROC WORK- SHARING RELATED UNIT COST	(3) DELIVERY WORK- SHARING RELATED UNIT COST	(4) TOTAL WORK- SHARING RELATED UNIT COST	(5) WORK- SHARING RELATED SAVINGS
Bulk Metered Mail (BMM) Letters	10.826	9.763			—
Nonautomation Presort Letters	14.212	12.738			
Nonautomation Nonmachinable Mixed ADC			8.408		
Nonautomation Nonmachinable ADC			8.408		
Nonautomation Machinable Mixed AADC					
Nonautomation Machinable AADC					
Nonautomation Nonmachinable 3-Digit			8.408		
Nonautomation Nonmachinable 5-Digit			8.408		
Nonautomation Machinable 3-Digit					
Nonautomation Machinable 5-Digit					
Nonautomation Machinable Letters (All Presort Levels)					
Automation Mixed AADC Letters	4.904	4.591			
Automation AADC Letters	4.177	3.865			
Automation 3-Digit Presort Letters	3.897	3.585			
Automation 5-Digit Presort Letters	2.946	2.633			
Automation 5-Digit Presort Letters (CSBCS/Manual Sites)	3.538	3.226			—
Automation Carrier Route Presort Letters	2.003	1.690			

(1) CRA Mail Processing Unit Costs:

Worksharing Proportional Cost Pools + Worksharing Fixed Cost Pools + Non-Worksharing Fixed Cost Pools

Model-Based Mail Processing Unit Costs:

(Model Cost * Worksharing Proportional Adjustment) + Worksharing Fixed Adjustment + Non-Worksharing Fixed Adjustment

(2) CRA Mail Processing Unit Costs:

Worksharing Proportional Cost Pools + Worksharing Fixed Cost Pools

Model-Based Mail Processing Unit Costs:

(Model Cost * Worksharing Proportional Adjustment) + Worksharing Fixed Adjustment

(3) USPS LR-J-117

(4) (2) + (3)

(5) Benchmark (4) - Rate Category (4)

FIRST-CLASS MAIL CARDS SUMMARY

	(1)	(2)	(3)	(4)	(5)
	MAIL PROC	MAIL PROC	DELIVERY	TOTAL	WORK-
		WORK-	WORK-	WORK-	SHARING
BENCHMARK		SHARING	SHARING	SHARING	RELATED
RATE CATEGORY	TOTAL	RELATED	RELATED	RELATED	SAVINGS
	UNIT COST	UNIT COST	UNIT COST	UNIT COST	
Nonautomation Presort Cards	3.228	2.986	2.674	5.660	—
Automation Mixed AADC Cards	2.496	2.314	2.789	5.103	0.557
Automation AADC Presort Cards	2.138	1.956	2.692	4.648	1.012
Automation 3-Digit Presort Cards	2.001	1.819	2.668	4.487	1.173
Automation 5-Digit Presort Cards	1.533	1.351	2.548	3.899	1.762
Automation 5-Digit Presort Letters (CSBCS/Manual Sites)	1.824	1.642	4.088	5.730	—
Automation Carrier Route Presort Cards	1.069	0.887	4.022	4.909	0.821

(1) CRA Mail Processing Unit Costs:

Worksharing Proportional Cost Pools + Worksharing Fixed Cost Pools + Non-Worksharing Fixed Cost Pools

Model-Based Mail Processing Unit Costs:

(Model Cost * Worksharing Proportional Adjustment) + Worksharing Fixed Adjustment + Non-Worksharing Fixed Adjustment

(2) CRA Mail Processing Unit Costs:

Worksharing Proportional Cost Pools + Worksharing Fixed Cost Pools

Model-Based Mail Processing Unit Costs:

(Model Cost * Worksharing Proportional Adjustment) + Worksharing Fixed Adjustment

(3) USPS LR-J-117

(4) (2) + (3)

(5) Benchmark (4) - Rate Category (4)

FIRST-CLASS MAIL LETTERS MAIL PROCESSING UNIT COST SUMMARY NONAUTOMATION PRESORT

CRA LETTER MAIL PROCESSING UNIT COSTS

Modeled Worksharing Related (Proportional) Cost Pools	9.887	(1)
Other Worksharing Related (Fixed) Cost Pools	2.851	(2)
Non-Worksharing Related (Fixed) Cost Pools	1.474	(3)
Total	14.212	(4)

CRA PROPORTIONAL ADJUSTMENT FACTOR

	(5)	(6)	(7)	(14)
Base Model Costs	Model Cost	Volume (000)	Volume %	DPS %
Nonautomation Nonmachinable Mixed ADC		152,957	4.08%	0.00%
Nonautomation Nonmachinable ADC		151,076	4.03%	0.00%
Nonautomation Machinable Mixed AADC		522,235	13.93%	75.17%
Nonautomation Machinable AADC		301,014	8.03%	75.17%
Nonautomation Nonmachinable 3-Digit		752,891	20.08%	0.00%
Nonautomation Nonmachinable 5-Digit		592,771	15.81%	0.00%
Nonautomation Machinable 3-Digit		1,009,465	26.93%	77.40%
Nonautomation Machinable 5-Digit		266,567	7.11%	77.40%
(8) Total Weighted Model Cost	6.621	3,748,977	100.00%	42.85%

CRA Proportional Adjustment

(9)

ADJUSTED LETTER MAIL PROCESSING UNIT COSTS

Rate Category	(10) Model Unit Cost	(11) Worksharing Related Unit Cost	(12) Non Worksharing Unit Cost	(13) Total Mail Proc Unit Cost
Nonautomation Nonmachinable Mixed ADC	18.513	28.754	1.474	
Nonautomation Nonmachinable ADC	13.174	22.526	1.474	
Nonautomation Machinable Mixed AADC	9.269	9.255	1.474	
Nonautomation Machinable AADC	4.289	9.255	1.474	
Nonautomation Nonmachinable 3-Digit	10.888	19.107	1.474	
Nonautomation Nonmachinable 5-Digit	6.884	11.637	1.474	
Nonautomation Machinable 3-Digit	4.049	6.897	1.474	
Nonautomation Machinable 5-Digit	4.049	6.897	1.474	

(1) Sum of modeled worksharing related cost pools in "CRA LETTERS" spreadsheet

(2) Sum of other worksharing related cost pools in "CRA LETTERS" spreadsheet

(3) Sum of non-worksharing related cost pools in "CRA LETTERS" spreadsheet

(4) (1) + (2) + (3)

(5) Model costs from respective rate category "COSTS" spreadsheets

(6) Volumes from "ENTRY PROFILE" spreadsheet

(7) Rate Category (6) / Total (6)

(8) Sum [(5) * (7)]

(9) (1) / (8)

(10) Model costs from respective rate category "COSTS" spreadsheets

(11) (9) * (10) + (2)

(12) (3)

(13) (11) + (12)

FIRST-CLASS MAIL LETTERS MAIL PROCESSING UNIT COST SUMMARY AUTOMATION PRESORT

CRA LETTER MAIL PROCESSING UNIT COSTS

Modeled Worksharing Related (Proportional) Cost Pools	2.138	(1)
Other Worksharing Related (Fixed) Cost Pools	1.180	(2)
Non-Worksharing Related (Fixed) Cost Pools	0.313	(3)
Total	3.631	(4)

CRA PROPORTIONAL ADJUSTMENT FACTOR

	(5)	(6)	(7)
Base Model Costs	Model Cost	Base Year Volume (000)	Base Year Volume %
Automation Mixed AADC	4.280	2,504,847	6.14%
Automation AADC	3.368	2,680,656	6.57%
Automation 3-Digit	3.017	21,832,339	53.49%
Automation 5-Digit Other	1.540	9,212,148	22.57%
Automation 5-Digit CSBCS/Manual	2.566	3,508,299	8.60%
Automation Carrier Route	0.640	1,075,333	2.63%
(8) Total Weighted Model Cost	2.683	40,813,622	100.00%
CRA Proportional Adjustment			0.797 (9)

ADJUSTED LETTER MAIL PROCESSING UNIT COSTS

	(10)	(11)	(12)	(13)
Rate Category	Model Unit Cost	Worksharing Related Unit Cost	Non Worksharing Unit Cost	Total Mail Proc Unit Cost
Automation Mixed AADC	4.280	4.591	0.313	4.904
Automation AADC	3.368	3.865	0.313	4.177
Automation 3-Digit	3.017	3.585	0.313	3.897
Automation 5-Digit Other	1.540	2.408	0.313	2.720
Automation 5-Digit CSBCS/Manual	2.566	3.226	0.313	3.538
Automation Carrier Route	0.640	1.690	0.313	2.003

- (1) Sum of modeled worksharing related cost pools in "CRA LETTERS" spreadsheet
- (2) Sum of other worksharing related cost pools in "CRA LETTERS" spreadsheet
- (3) Sum of non-worksharing related cost pools in "CRA LETTERS" spreadsheet
- (4) (1) + (2) + (3)
- (5) Model costs from respective rate category "COSTS" spreadsheets
- (6) USPS LR-J-98
- (7) Rate Category (6) / Total (6)
- (8) Sum [(5) * (7)]
- (9) (1) / (8)
- (10) Model costs from respective rate category "COSTS" spreadsheets
- (11) (9) * (10) + (2)
- (12) (3)
- (13) (11) + (12)

FIRST-CLASS CARD MAIL PROCESSING UNIT COST SUMMARY **AUTOMATION PRESORT**

CRA CARD MAIL PROCESSING UNIT COSTS

Modeled Worksharing Related (Proportional) Cost Pools	1.075	(1)
Other Worksharing Related (Fixed) Cost Pools	0.635	(2)
Non-Worksharing Related (Fixed) Cost Pools	0.182	(3)
Total	1.892	(4)
Card/Letter Cost Ratio	0.491	(5)

CRA PROPORTIONAL ADJUSTMENT FACTOR

	(6)	(7)	(8)
	Model Cost	Base Year Volume (000)	Base Year Volume %
Base Model Costs			
Automation Mixed AADC	2.102	223,012	10.76%
Automation AADC	1.655	238,665	11.51%
Automation 3-Digit	1.482	913,723	44.07%
Automation 5-Digit Other	0.757	441,388	21.29%
Automation 5-Digit CSBCS/Manual	1.261	168,096	8.11%
Automation Carrier Route	0.315	88,394	4.26%
(9) Total Weighted Model Cost	1.347	2,073,278	100.00%
CRA Proportional Adjustment			0.798 (10)

ADJUSTED CARD MAIL PROCESSING UNIT COSTS

Rate Category	(11) Model Unit Cost	(12) Worksharing Related Unit Cost	(13) Non Worksharing Unit Cost	(14) Total Mail Proc Unit Cost
Automation Mixed AADC	2.102	2.314	0.182	2.496
Automation AADC	1.655	1.956	0.182	2.138
Automation 3-Digit	1.482	1.819	0.182	2.001
Automation 5-Digit Other	0.757	1.240	0.182	1.422
Automation 5-Digit CSBCS/Manual	1.261	1.642	0.182	1.824
Automation Carrier Route	0.315	0.887	0.182	1.069

- (1) Sum of modeled worksharing related cost pools in "CRA CARDS" spreadsheet
 (2) Sum of other worksharing related cost pools in "CRA CARDS" spreadsheet
 (3) Sum of non-worksharing related cost pools in "CRA CARDS" spreadsheet
 (4) (1) + (2) + (3)
 (5) From "CARD RATIOS" spreadsheet
 (6) (5) * Model cost for corresponding letter rate category
 (7) USPS LR-J-98
 (8) Rate Category (7) / Total (7)
 (9) Sum [(6) * (8)]
 (10) (1) / (9)
 (11) Corresponding Rate Category (6)
 (12) (10) * (11) + (2)
 (13) (3)
 (14) (12) + (13)

FIRST-CLASS MAIL LETTERS NONMACHINABLE SURCHARGE COST SUMMARY

<u>MAIL TYPE</u>	<u>UNIT COST</u>
Nonautomation Nonmachinable All Presort Levels	(1)
Nonautomation Machinable All Presort Levels	(2)
	(3)
Nonautomation Nonmachinable Mixed ADC	(4)
Nonautomation Machinable Mixed AADC	(5)
	(6)
Nonautomation Nonmachinable ADC	(4)
Nonautomation Machinable AADC	(5)
	(6)
Nonautomation Nonmachinable 3-Digit	(4)
Nonautomation Machinable 3-Digit	(5)
	(6)
Nonautomation Nonmachinable 5-Digit	(4)
Nonautomation Machinable 5-Digit	(5)
	(6)

- (1) SUM (Page 1 Nonmachinable Total Worksharing Related Costs * Page 2 Volume %)
(2) SUM (Page 1 Machinable Total Worksharing Related Costs * Page 2 Volume %)
(3) (1) - (2)
(4) Page 1 Nonmachinable Total Worksharing Related Costs
(5) Page 1 Machinable Total Worksharing Related Costs
(6) (4) - (5)

FIRST-CLASS CARD/LETTER RATIO CALCULATIONS AND PRESORT MIX ADJUSTMENT

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<u>RATE CATEGORY</u>	<u>LETTER MODEL COST</u>	<u>LETTER BASE YR VOL (000)</u>	<u>LETTER PRESORT MIX</u>	<u>LETTER WEIGHTED COST</u>	<u>CARD BASE YR VOL (000)</u>	<u>CARD PRESORT MIX</u>	<u>CARD WEIGHTED COST</u>
Automation Mixed AADC	4.280	2,504,847	6.71%	0.287	223,012	11.71%	0.501
Automation AADC	3.368	2,680,656	7.19%	0.242	238,665	12.53%	0.422
Automation 3-Digit	3.017	21,832,339	58.52%	1.765	913,723	47.96%	1.447
Automation 5-Digit	1.540	9,212,148	24.69%	0.380	441,388	23.17%	0.357
Automation Carrier Route	0.640	1,075,333	2.88%	0.018	88,394	4.64%	0.030
Total		37,305,323	100.00%	2.694	1,905,182	100.00%	2.756

Card/Letter Presort Mix Adjustment Factor 1.023 (8)

MAIL PROCESSING AUTOMATION NON-CARRIER ROUTE PRESORT

Card Worksharing-Related Prop. Unit Cost 1.075 (9)
Letter Worksharing-Related Prop. Unit Cost 2.138 (10)
Card/Letter Cost Ratio 0.491 (11)

- (1) From "AUTO LTR DEAVG" Spreadsheet
- (2) Page 4
- (3) Rate Category (2) / Total (2)
- (4) (1) * (3)
- (5) Page 5
- (6) Rate Category (5) / Total (5)
- (7) (1) * (6)
- (8) Total (7) / Total (4)
- (9) Worksharing Related Proportional Costs From "CRA CARDS" Spreadsheet
- (10) Worksharing Related Proportional Costs From "CRA LETTERS" Spreadsheet
- (11) (9) / (8) / (10)

CRA FIRST-CLASS MAIL LETTERS MAIL PROCESSING UNIT COSTS
Source: USPS LR-J-53

		BULK METERED								NON AUTO				AUTO			
Cost Pool No.	Source	Cost Pool Abbreviation	WRP MP Unit Costs	WRF MP Unit Costs	NWRF MP Unit Costs	CRA MP Unit Costs	WRP MP Unit Costs	MWRF MP Unit Costs	CRA MP Unit Costs	WRP MP Unit Costs	WRF MP Unit Costs	NWRF MP Unit Costs	CRA MP Unit Costs	WRP MP Unit Costs	WRF MP Unit Costs	NWRF MP Unit Costs	
					X	0.000		0.000	0.000			0.000	0.000			0.000	
1	BMCS	NMO			X	0.002		0.002	0.000			0.000	0.000			0.000	
2	BMCS	OTHR			X	0.001		0.001	0.000			0.000	0.000			0.000	
3	BMCS	PLA			X	0.000		0.000	0.000			0.000	0.000			0.000	
4	BMCS	PSM			X	0.000		0.000	0.000			0.000	0.000			0.000	
5	BMCS	SPB			X	0.000		0.000	0.000			0.000	0.000			0.000	
6	BMCS	SSM			X	0.000		0.000	0.000			0.000	0.000			0.000	
7	MODS 11	BCS/	X			0.512	0.512	0.565	0.565	0.565	0.565	0.211	0.885	0.211	0.885	0.006	
8	MODS 11	BCS/OBCS	X			1.634	1.634	1.970	1.970	1.970	1.970	0.097	0.097	0.097	0.097	0.006	
9	MODS 11	OCR/	X			0.720	0.720	0.771	0.771	0.771	0.771	0.017	0.006	0.017	0.006	0.002	
10	MODS 12	FSM/			X	0.027		0.027	0.017			0.011	0.002	0.011	0.002	0.000	
11	MODS 12	FSM/1000			X	0.012		0.012	0.011			0.011	0.000	0.011	0.000	0.001	
12	MODS 12	LSW/	X			0.002	0.002	0.005	0.005	0.005	0.005	0.001	0.001	0.001	0.001	0.005	
13	MODS 13	MECPARC			X	0.001		0.001	0.001			0.001	0.001	0.001	0.001	0.002	
14	MODS 13	SPBS OTH			X	0.016		0.016	0.025			0.001	0.002	0.001	0.002	0.015	
15	MODS 13	SPBSPRIO			X	0.006		0.006	0.001			0.001	0.001	0.001	0.001	0.003	
16	MODS 13	1SACKS_M			X	0.038		0.038	0.055			0.025	0.003	0.025	0.003	0.001	
17	MODS 14	MANF			X	0.022		0.022	0.025			0.025	0.190	0.190	0.190	0.002	
18	MODS 14	MANL	X			1.192	1.192	1.581	1.581	1.581	1.581	0.010	0.001	0.010	0.001	0.006	
19	MODS 14	MANP			X	0.005		0.005	0.010			0.010	0.002	0.010	0.002	0.050	
20	MODS 14	PRIORITY			X	0.006		0.006	0.006			0.006	0.051	0.051	0.051	0.050	
21	MODS 15	LD15	X			0.338	0.338	0.274	0.274	0.274	0.274	0.006	0.006	0.006	0.006	0.057	
22	MODS 17	1BULK PR	X(NA)			0.004		0.004	0.028			0.028	0.050	0.050	0.050	0.225	
23	MODS 17	1CANCMP		X(A)		0.668		0.668	0.099			0.099	0.210	0.210	0.210	0.290	
24	MODS 17	1OPBULK	X(NA)			0.154		0.154	0.210			0.210	0.809	0.809	0.809	0.131	
25	MODS 17	1OPPREF	X(NA)			0.525		0.525	1.132			1.132	0.480	0.480	0.480	0.043	
26	MODS 17	1PLATFRM	X(NA)			0.812		0.812	0.219			0.219	0.086	0.086	0.086	0.018	
27	MODS 17	1POUCHNG	X(NA)			0.368		0.368	0.086			0.086	0.014	0.014	0.014	0.001	
28	MODS 17	1SACKS_H			X	0.103		0.103	0.012			0.012	0.001	0.001	0.001	0.001	
29	MODS 17	1SCAN			X	0.040		0.040	0.012			0.012	0.005	0.005	0.005	0.000	
30	MODS 18	BUSREPLY			X	0.067		0.067	0.007			0.007	0.000	0.000	0.000	0.001	
31	MODS 18	EXPRESS			X	0.000		0.000	0.000			0.000	0.013	0.013	0.013	0.002	
32	MODS 18	MAILGRAM			X	0.013		0.013	0.013			0.008	0.002	0.008	0.002	0.005	
33	MODS 18	REGISTRY			X	0.015		0.015	0.008			0.023	0.005	0.023	0.005	0.004	
34	MODS 18	REWRAP			X	0.026		0.026	0.023			0.024	0.004	0.024	0.004	0.035	
35	MODS 18	1EEQMT			X	0.017		0.017	0.024			0.024	0.035	0.035	0.035	0.000	
36	MODS 19	INTL				0.071	0.071	0.068	0.068	0.068	0.068	0.000	0.000	0.000	0.000	0.000	
37	MODS 41	LD41	X			0.001	0.001	0.001	0.001	0.001	0.001	0.109	0.109	0.109	0.109	0.064	
38	MODS 42	LD42	X			0.367	0.367	0.367	0.260	0.260	0.260	0.064	0.064	0.064	0.064	0.000	
39	MODS 43	LD43	X			0.214	0.214	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.010	
40	MODS 44	LD44			X	0.000		0.000	0.020			0.042	0.010	0.042	0.010	0.190	
41	MODS 48	LD48 EXP			X	0.020		0.020	0.042			0.042	0.190	0.190	0.190	0.023	
42	MODS 48	LD48_SSV			X	0.286		0.286	0.754			0.754	0.023	0.754	0.023	0.040	
43	MODS 49	LD49			X	0.007		0.007	0.060			0.060	0.040	0.060	0.040	0.062	
44	MODS 79	LD79			X	0.131		0.131	0.155			0.155	0.062	0.155	0.062	0.208	
45	MODS 99	1SUPP_F1			X	0.311		0.311	0.253			0.253	0.208	0.253	0.208	0.000	
46	MODS 99	1SUPP_F4			X	0.492		0.492	0.805			0.805	0.200	0.805	0.200	0.002	
47	NON MODS	ALLIED			X	0.318	0.318	0.373	0.373	0.373	0.373	0.000	0.000	0.000	0.000	0.000	
48	NON MODS	AUTOMECH	X			0.000		0.000	0.000			0.000	0.002	0.000	0.002	0.001	
49	NON MODS	EXPRESS			X	0.008		0.008	0.018			0.018	0.294	0.018	0.294	0.080	
50	NON MODS	MANF			X	1.078	1.078	1.952	1.952	1.952	1.952	0.003	0.001	0.003	0.001	0.006	
51	NON MODS	MANL	X			0.003		0.003	0.003			0.003	0.080	0.003	0.080	0.000	
52	NON MODS	MANP			X	0.197		0.197	0.463			0.463	0.006	0.463	0.006	0.000	
53	NON MODS	MISC			X	0.023		0.023	0.001			0.001	0.000	0.001	0.000	0.000	
54	NON MODS	REGISTRY			X	0.023		0.023	0.001			0.001	0.000	0.001	0.000	0.000	
						10.826	6.447	3.316	1.063	14.212	9.887	2.851	1.474	3.631	2.138	1.180	0.313
						58.55%	30.63%	9.82%		89.57%	20.06%	10.37%		58.89%	32.50%	8.61%	

CRA FIRST-CLASS MAIL CARDS MAIL PROCESSING UNIT COSTS
Source: USPS LR-J-53

				NON AUTO				AUTO							
Cost Pool No.	Source	Cost Pool Abbreviation	WRP MP Unit Costs	WRF MP Unit Costs	NWRF MP Unit Costs	CRA MP Unit Costs	WRP MP Unit Costs	WRF MP Unit Costs	NWRF MP Unit Costs	CRA MP Unit Costs	WRP MP Unit Costs	WRF MP Unit Costs	NWRF MP Unit Costs	CRA MP Unit Costs	WRP MP Unit Costs
1	BMCS	NMO			X	0.000			0.000	0.000				0.000	
2	BMCS	OTHR			X	0.000			0.000	0.000				0.000	
3	BMCS	PLA			X	0.000			0.000	0.000				0.000	
4	BMCS	PSM			X	0.000			0.000	0.000				0.000	
5	BMCS	SPB			X	0.000			0.000	0.000				0.000	
6	BMCS	SSM			X	0.000			0.000	0.000				0.000	
7	MODS 11	BCS/	X			0.196	0.196			0.089	0.089				
8	MODS 11	BCS/DBCS	X			0.296	0.296			0.316	0.316				
9	MODS 11	OCR/	X			0.251	0.251			0.041	0.041				
10	MODS 12	FSM/			X	0.000			0.000	0.000				0.000	
11	MODS 12	FSM/1000			X	0.000			0.000	0.000				0.000	
12	MODS 12	LSM/	X			0.000	0.000			0.000	0.000			0.000	
13	MODS 13	MECPARC			X	0.000			0.000	0.000				0.000	
14	MODS 13	SPBS OTH			X	0.000			0.000	0.000				0.000	
15	MODS 13	SPBSPRIO			X	0.011			0.011	0.006				0.006	
16	MODS 13	1SACKS_M			X	0.010			0.010	0.000				0.000	
17	MODS 14	MANF			X	0.532	0.532			0.272	0.272				
18	MODS 14	MANL	X			0.000			0.000	0.000				0.000	
19	MODS 14	MANP			X	0.000			0.000	0.000				0.000	
20	MODS 14	PRIORITY			X	0.000			0.000	0.000				0.000	
21	MODS 15	LD15	X			0.000	0.000			0.012	0.012				
22	MODS 17	1BULK PR	X(NA)	X(A)		0.001	0.001			0.001			0.001		
23	MODS 17	1CANCMP		X		0.062		0.062		0.033			0.033		
24	MODS 17	1OPBULK	X(NA)	X(A)		0.071	0.071			0.027			0.027		
25	MODS 17	1OPREF	X(NA)	X(A)		0.113	0.113			0.089			0.089		
26	MODS 17	1PLATFRM		X		0.244		0.244		0.146			0.146		
27	MODS 17	1POUCHNG	X(NA)	X(A)		0.122	0.122			0.066			0.066		
28	MODS 17	1SACKS_H			X	0.029			0.029	0.016			0.016		0.016
29	MODS 17	1SCAN			X	0.009			0.009	0.038			0.038		0.038
30	MODS 18	BUSREPLY			X	0.000			0.000	0.000			0.000		0.000
31	MODS 18	EXPRESS			X	0.000			0.000	0.000			0.000		0.000
32	MODS 18	MAILGRAM			X	0.000			0.000	0.000			0.000		0.000
33	MODS 18	REGISTRY			X	0.000			0.000	0.000			0.000		0.000
34	MODS 18	REWRAP			X	0.005			0.005	0.003			0.003		0.003
35	MODS 18	1EEQMT			X	0.005			0.005	0.000			0.000		0.000
36	MODS 19	INTL			X	0.006			0.006	0.000			0.000		0.000
37	MODS 41	LD41	X			0.021	0.021			0.000	0.000				
38	MODS 42	LD42	X			0.000	0.000			0.041	0.041				
39	MODS 43	LD43	X			0.157	0.157			0.000	0.000				
40	MODS 44	LD44	X			0.039	0.039			0.000	0.000				0.000
41	MODS 48	LD48 EXP			X	0.000			0.030	0.008			0.008		0.008
42	MODS 48	LD48_SSV			X	0.030			0.030	0.161			0.161		0.161
43	MODS 49	LD49		X		0.085		0.085		0.022			0.022		0.022
44	MODS 79	LD79		X		0.039		0.039		0.021			0.021		0.021
45	MODS 99	1SUPP_F1			X	0.036			0.036	0.034			0.034		0.034
46	MODS 99	1SUPP_F4			X	0.052			0.052	0.090			0.090		0.090
47	NON MODS	ALLIED		X		0.169		0.169		0.120	0.120				
48	NON MODS	AUTO/MEC	X			0.000	0.000			0.000	0.000			0.000	0.000
49	NON MODS	EXPRESS			X	0.000			0.000	0.000			0.000		0.000
50	NON MODS	MANF			X	0.588	0.588			0.184	0.184				
51	NON MODS	MANL	X			0.000			0.000	0.000			0.000		0.000
52	NON MODS	MANP			X	0.053			0.053	0.054			0.054		0.054
53	NON MODS	MISC			X	0.000			0.000	0.000			0.000		0.000
54	NON MODS	REGISTRY			X	0.000			0.000	0.000			0.000		0.000
						3.228	2.388	0.598	0.242	1.892	1.075	0.635	0.182		
							73.96%	18.53%	7.50%		56.80%	33.58%	9.62%		

QBRM WORKSHARING RELATED SAVINGS SUMMARY

	(1)	(2)	(3)	(4)
BENCHMARK RATE CATEGORY	MAIL PROC MODEL UNIT COST	CRA PROPORTIONAL ADJUSTMENT FACTOR	MAIL PROC ADJUSTED UNIT COST	MAIL PROC WORKSHARING RELATED SAVINGS
Handwritten Letters QBRM Letters	0.917			

- (1) Model Costs from "HAND COSTS" and "QBRM COSTS" worksheets
(2) Metered Letters CRA Worksharing Related Proportional Mail Processing Unit Cost / Metered Model Cost
(3) (1) * (2)
(4) Benchmark (3) - Rate Category (3)

BRM BASIC PER-PIECE FEE (COUNTING, RATING, BILLING, COLLECTION, AND ACCOUNT MAINTENANCE ACTIVITIES)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Volume	Marginal	Wage	Direct	Piggyback	Premium	Premium	Total	Weighted
Counting Method	Percentage	Productivity	Rate	Cents Per	Factor	Pay	Pay	Cents Per	Cents Per
				Piece		Factor	Adjustment	Piece	Piece
BRMAS	1.60%	7,936	\$30.84	0.389	1.944	1.012	0.005	0.760	0.012
End-of-Run (EOR)	0.60%	—	—	—	—	—	—	—	—
Manual	97.80%	2,270	\$30.84	1.358	1.457	1.012	0.016	1.996	1.952
	100.00%								
Rating/Billing Method									
PERMITS/Postage Due	27.90%	7,936	\$30.84	0.389	1.457	1.012	0.005	0.571	0.159
Manual	72.10%	793	\$30.84	3.891	1.457	1.012	0.047	5.718	4.123
	100.00%								
Collection Method									
Box Section Clerk									
Pickup BRM at Postage Due Unit		4,235	\$30.84	0.728	1.457	1.012	0.009	1.070	
Examine and sign due bill (Form 3582-B)		322	\$30.84	9.568	1.457	1.012	0.115	14.059	
Prepare call slip and place in lock box		357	\$30.84	8.628	1.457	1.012	0.104	12.678	
Collect from customer		240	\$30.84	12.827	1.457	1.012	0.155	18.849	
Turn in postage		266	\$30.84	11.596	1.457	1.012	0.140	17.039	
Accept Collections		277	\$30.84	11.150	1.457	1.012	0.134	16.384	
Total Box Section Clerk	12.30%							80.078	9.850
Carrier									
Pickup BRM at Postage Due Unit		3,114	\$32.62	1.047	1.364	1.012	0.013	1.441	
Examine and sign due bill (Form 3582-B)		315	\$32.62	10.355	1.364	1.012	0.125	14.248	
Collect from customer		69	\$32.62	47.271	1.364	1.012	0.570	65.047	
Turn in postage		265	\$32.62	12.308	1.364	1.012	0.148	16.937	
Accept collections		260	\$32.62	12.545	1.364	1.012	0.151	17.263	
Total	8.40%							114.938	9.655
Account Oversight and Maintenance									
Postage Due Account (1,000 pcs/yr)	79.30%							37.953	30.097 (10)
	100.00%								
								55.847	(11)

(1) Docket No. R97-1, USPS LR-H-179, Table 13

(2) From 'INPUTS' spreadsheet

(3) From 'INPUTS' spreadsheet

(4) $[(3) * 100] / (2)$

(5) From 'INPUTS' spreadsheet

(6) From 'INPUTS' spreadsheet

(7) $[(6) - 1] * (4)$ (8) $(4) * (5) + (7)$ (9) $(1) * (8)$

(11) Sum (8)

FIRST-CLASS MAIL SINGLE-PIECE HANDWRITTEN REPLY MAIL LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Pay Adjust	Total Cents Per Piece	Weighted Cents Per Piece
Entry Activities	10,000	—	—	—	—	—	—	0.000	0.000
Package Sorting									
Outgoing RBCS									
REC		698	\$20.409	2.924	1.459	1.012	0.036	4.302	
OSS		10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	
LMLM		3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	
Outgoing Primary									
Automation	0	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.000
Manual	0	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.000
Outgoing Secondary									
Automation	0	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.000
Manual	0	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.000
Incoming RBCS									
ISS/RCR	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Incoming MMP									
Automation AADC	0	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.000
Manual ADC	0	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.000
Incoming SCF/Primary									
Automation	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Manual	0	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.000
6-Digit Barcode Sort									
	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Incoming Secondaries									
Auto Carrier Route	0	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.000
Auto 3-Pass DPS	0	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.000
Auto 2-Pass DPS	0	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.000
Man Inc Sec Final At Plant	0	807	\$30.840	3.822	1.365	1.012	0.047	5.264	0.000
Man Inc Sec Final At DU	0	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.000
Box Section Sort, DPS	0	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.000
Box Section Sort, Other	0	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.000

(10)
MODEL COST = 2.009

(11)
DPS % = 0.00%

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) $[(3) * (100 \text{ cents/dollar})] / (2)$
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

- (7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8) / 10,000 \text{ Pieces}$
(10) Sum (9)
(11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

(12) $[\$121,521,000 (\text{USPS LR-J-52, page III-2A}) * 100] / 22,291,978,395 \text{ Pieces (FY 2001 from CIS)}$

FIRST-CLASS MAIL SINGLE-PIECE QBRM LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Entry Activities</u>	<u>TPH</u>	<u>Pieces Per Hour</u>	<u>Wage Rate</u>	<u>Direct Cents Per Piece</u>	<u>Piggyback Factor</u>	<u>Premium Pay Factor</u>	<u>Premium Pay Adjust</u>	<u>Total Cents Per Piece</u>	<u>Weighted Cents Per Piece</u>
Package Sorting	10,000	---	---	---	---	---	---	0.000	0.000
<u>Outgoing RBCS</u>									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
<u>Outgoing Primary</u>									
Automation	10,005	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.917
Manual	0	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.000
<u>Outgoing Secondary</u>									
Automation	0	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.000
Manual	0	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.000
<u>Incoming RBCS</u>									
ISS/RCR	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
<u>Incoming MMP</u>									
Automation AADC	0	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.000
Manual ADC	0	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.000
<u>Incoming SCF/Primary</u>									
Automation	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Manual	0	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.000
<u>6-Digit Barcode Sort</u>	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
<u>Incoming Secondaries</u>									
Auto Carrier Route	0	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.000
Auto 3-Pass DPS	0	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.000
Auto 2-Pass DPS	0	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.000
Man Inc Sec Final At Plant	0	807	\$30.840	3.822	1.365	1.012	0.047	5.264	0.000
Man Inc Sec Final At DU	0	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.000
Box Section Sort, DPS	0	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.000
Box Section Sort, Other	0	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.000

(10)
MODEL COST = 0.917

(11)
DPS % = 0.00%

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) $[(3) * (100 \text{ cents/dollar})] / (2)$
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

- (7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8) / 10,000 \text{ Pieces}$
(10) Sum (9)
(11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

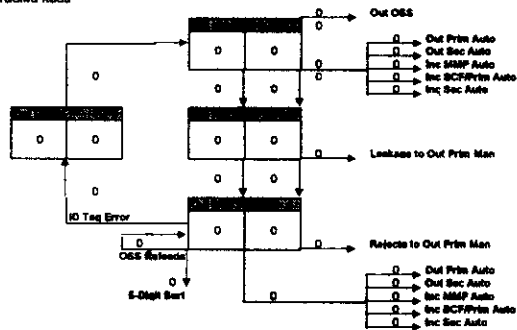
FIRST-CLASS MAIL SINGLE-PIECE QBRM LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

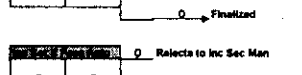
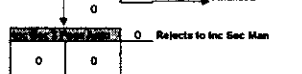
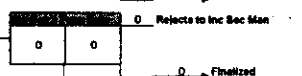
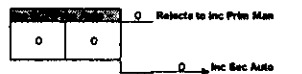
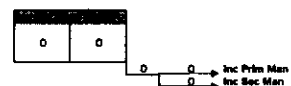
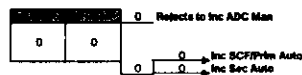
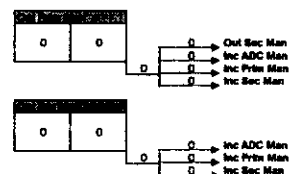
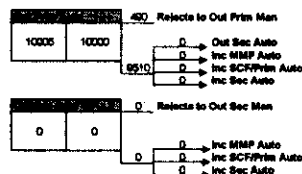
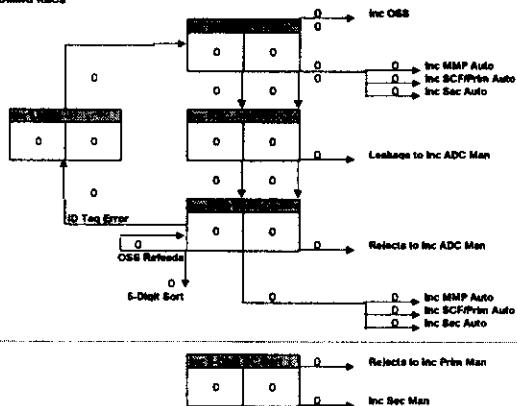
ENTRY POINTS:

Out RES/RCR	0	Inc RES/RCR	0
Out Prim Auto	10000	Inc MMP Auto	0
Out Sec Auto	0	Inc SCFFPrim Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCFFPrim Man	0
		Inc Sec Man	0

OUTGOING RBCS



INCOMING RBCS



FIRST-CLASS MAIL BULK METERED MAIL (BMM) LETTERS **COST SHEET**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Entry Activities</u>	<u>TPH</u>	<u>Pieces</u> <u>Per Hour</u>	<u>Wage</u> <u>Rate</u>	<u>Direct</u> <u>Cents</u> <u>Per Piece</u>	<u>Piggyback</u> <u>Factor</u>	<u>Premium</u> <u>Pay</u> <u>Factor</u>	<u>Premium</u> <u>Pay</u> <u>Adjust</u>	<u>Total</u> <u>Cents</u> <u>Per Piece</u>	<u>Weighted</u> <u>Cents</u> <u>Per Piece</u>
Package Sorting	10,000	—	—	—	—	—	—	0.000	0.000
Outgoing RBCS									
ISS/RCR		8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	
REC		698	\$20.409	2.924	1.459	1.012	0.036	4.302	
OSS		10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	
LMLM		3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	
Outgoing Primary									
Automation		6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	
Manual		802	\$30.840	3.847	1.365	1.012	0.047	5.298	
Outgoing Secondary									
Automation		9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	
Manual		814	\$30.840	3.790	1.365	1.012	0.046	5.219	
Incoming RBCS									
ISS/RCR	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.486	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Incoming MMP									
Automation AADC		6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	
Manual ADC		900	\$30.840	3.427	1.406	1.012	0.042	4.860	
Incoming SCF/Primary									
Automation		6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	
Manual		934	\$30.840	3.300	1.365	1.012	0.040	4.545	
6-Digit Barcode Sort									
		6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	
Incoming Secondaries									
Auto Carrier Route		5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	
Auto 3-Pass DPS		32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	
Auto 2-Pass DPS		10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	
Man Inc Sec Final At Plant	15	807	\$30.840	3.822	1.365	1.012	0.047	5.264	
Man Inc Sec Final At DU	396	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.138
Box Section Sort, DPS	674	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.120
Box Section Sort, Other	216	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.077

(10)
MODEL COST = 9.76

(11)
DPS % = 8.73

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) [(3) * (100 cents/dollar)] / (2)
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

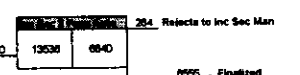
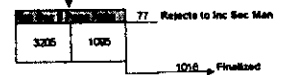
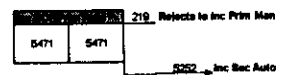
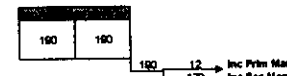
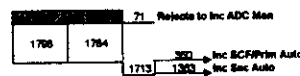
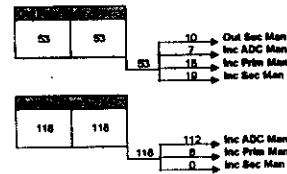
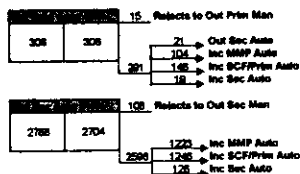
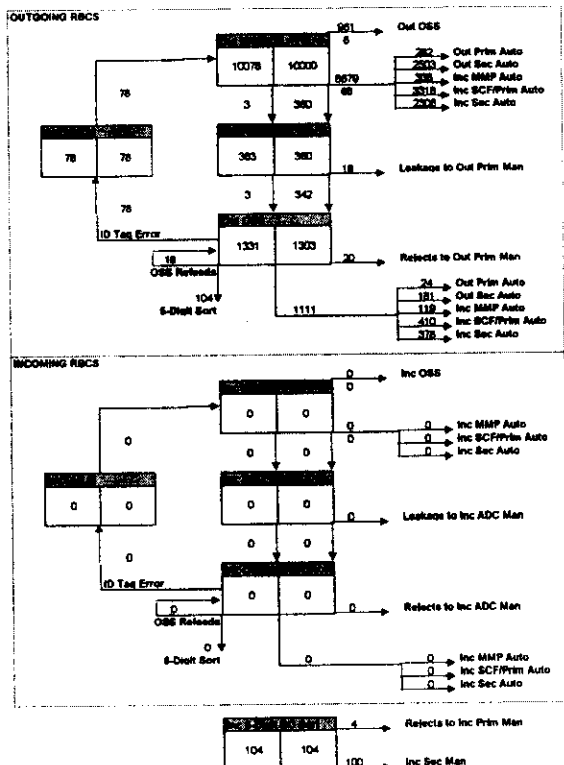
- (7) [(6) - 1] * (4)
(8) (4) * (5) + (7)
(9) (1) * (8) / 10,000 Pieces
(10) Sum (9)
(11) (Pieces Finalized in DPS Operations) /
(10,000 Pieces)

FIRST-CLASS MAIL BULK METERED MAIL (BMM) LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out DBR/CR	10000	Inc ISS/NCR	0
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCF/Prim Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCF/Prim Man	0
		Inc Sec Man	0



FIRST-CLASS MAIL NONAUTO MACHINABLE MIXED AADC / AADC PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Pay Adjust	Total Cents Per Piece	Weighted Cents Per Piece
Entry Activities	10,000	---	---	---	---	---	---	0.000	0.000
Package Sorting									
Outgoing RBCS									
ISS/RCR		8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	
REC		698	\$20.409	2.924	1.459	1.012	0.036	4.302	
OSS		10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	
LMLM		3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	
Outgoing Primary									
Automation		6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	
Manual		802	\$30.840	3.847	1.365	1.012	0.047	5.298	
Outgoing Secondary									
Automation		9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	
Manual		814	\$30.840	3.790	1.365	1.012	0.046	5.219	
Incoming RBCS									
ISS	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Incoming MMP									
Automation AADC		6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	
Manual ADC		900	\$30.840	3.427	1.406	1.012	0.042	4.860	
Incoming SCF/Primary									
Automation		6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	
Manual		934	\$30.840	3.300	1.365	1.012	0.040	4.545	
5-Digit Barcode Sort									
		6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	
Incoming Secondaries									
Auto Carrier Route		5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	
Auto 3-Pass DPS		32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	
Auto 2-Pass DPS		10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	
Man Inc Sec Final At Plant		807	\$30.840	3.822	1.365	1.012	0.047	5.264	
Man Inc Sec Final At DU		1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	
Box Section Sort, DPS		2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	
Box Section Sort, Other		1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	

(10)
MODEL COST = 4.289

(11)
DPS % = 75.17%

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) $[(3) * (100 \text{ cents/dollar})] / (2)$
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

- (7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8) / 10,000 \text{ Pieces}$
(10) Sum (9)
(11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

FIRST-CLASS MAIL NONAUTO MACHINABLE 3-DIGIT / 5-DIGIT PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Entry Activities	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Pay Adjust	Total Cents Per Piece	Weighted Cents Per Piece
Package Sorting	10,000	---	---	---	---	---	---	0.000	0.000
Outgoing RBCS									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Outgoing Primary									
Automation	0	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.000
Manual	0	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.000
Outgoing Secondary									
Automation	0	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.000
Manual	0	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.000
Incoming RBCS									
ISS		4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	
REC		698	\$20.409	2.924	1.459	1.012	0.036	4.302	
OSS		9,225	\$30.840	0.334	1.819	1.012	0.004	0.812	
LMLM		3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	
Incoming MMP									
Automation AADC		6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	
Manual ADC		900	\$30.840	3.427	1.406	1.012	0.042	4.860	
Incoming SCF/Primary									
Automation		6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	
Manual		934	\$30.840	3.300	1.365	1.012	0.040	4.545	
5-Digit Barcode Sort		6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	
Incoming Secondaries									
Auto Carrier Route		5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	
Auto 3-Pass DPS		32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	
Auto 2-Pass DPS		10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	
Man Inc Sec Final At Plant		807	\$30.840	3.822	1.365	1.012	0.047	5.264	
Man Inc Sec Final At DU		1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	
Box Section Sort, DPS		2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	
Box Section Sort, Other		1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	

(10)
MODEL COST = 4.049

(11)
DPS % = 77.40%

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) [(3) * (100 cents/dollar)] / (2)
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

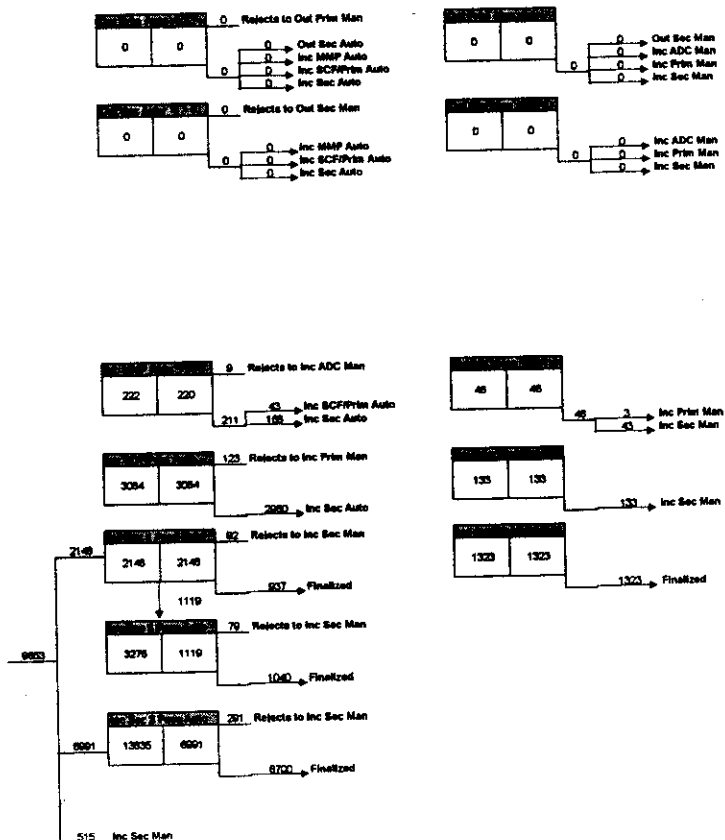
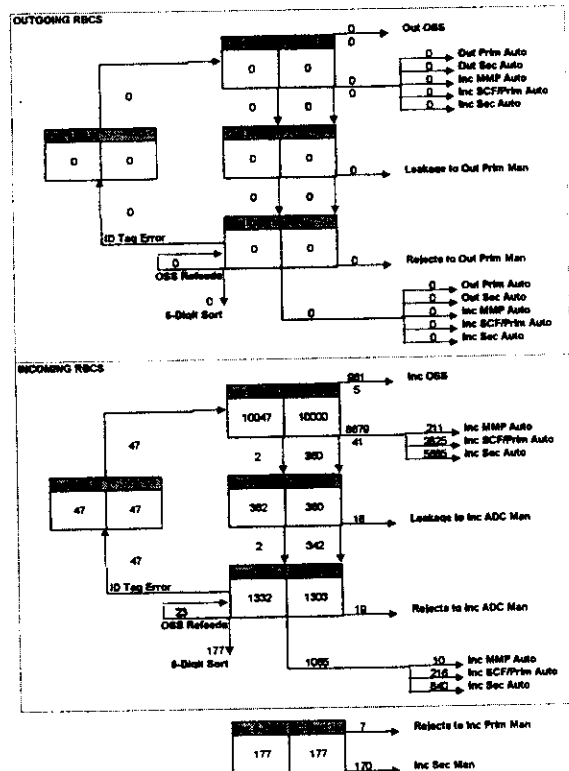
- (7) [(6) - 1] * (4)
(8) (4) * (5) + (7)
(9) (1) * (8) / 10,000 Pieces
(10) Sum (9)
(11) (Pieces Finalized in DPS Operations) /
(10,000 Pieces)

FIRST-CLASS MAIL NONAUTO MACHINABLE 3-DIGIT / 5-DIGIT PRESORT LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out RSR/CR	0	Inc RSR/CR	10000
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCFPrm Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCFPrm Man	0
		Inc Sec Man	0



**FIRST-CLASS MAIL NONAUTO NONMACHINABLE MADC PRESORT LETTERS
COST SHEET**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Entry Activities</u>	<u>TPH</u>	<u>Pieces Per Hour</u>	<u>Wage Rate</u>	<u>Direct Cents Per Piece</u>	<u>Piggyback Factor</u>	<u>Premium Pay Factor</u>	<u>Premium Pay Adjust</u>	<u>Total Cents Per Piece</u>	<u>Weighted Cents Per Piece</u>
Package Sorting	10,000	--	--	--	--	--	--	2.311	2.311
<u>Outgoing RBCS</u>									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
<u>Outgoing Primary</u>									
Automation	0	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.000
Manual	0	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.000
<u>Outgoing Secondary</u>									
Automation	0	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.000
Manual	10,000	814	\$30.840	3.790	1.365	1.012	0.046	5.219	5.219
<u>Incoming RBCS</u>									
ISS	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
<u>Incoming MMP</u>									
Automation AADC	0	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.000
Manual ADC	9,494	900	\$30.840	3.427	1.406	1.012	0.042	4.860	4.614
<u>Incoming SCF/Primary</u>									
Automation	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Manual	1,092	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.496
<u>5-Digit Barcode Sort</u>	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
<u>Incoming Secondaries</u>									
Auto Carrier Route	0	5,814	\$30.840	0.549	1.897	1.012	0.007	1.049	0.000
Auto 3-Pass DPS	0	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.000
Auto 2-Pass DPS	0	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.000
Man Inc Sec Final At Plant	7,381	807	\$30.840	3.822	1.365	1.012	0.047	5.264	3.885
Man Inc Sec Final At DU	2,619	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.915
Box Section Sort, DPS	0	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.000
Box Section Sort, Other	890	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.316

(10)
MODEL COST = 17.756(11)
DPS % = 0.00%

- (1) Values From "MODEL" Spreadsheet
 (2) Values From "PRODUCTIVITY" Spreadsheet
 (3) Values From "WAGE" Spreadsheet
 (4) $[(3) * (100 \text{ cents/dollar})] / (2)$
 (5) Values From "PIGGYBACK" Spreadsheet
 (6) Values From "WAGE" Spreadsheet

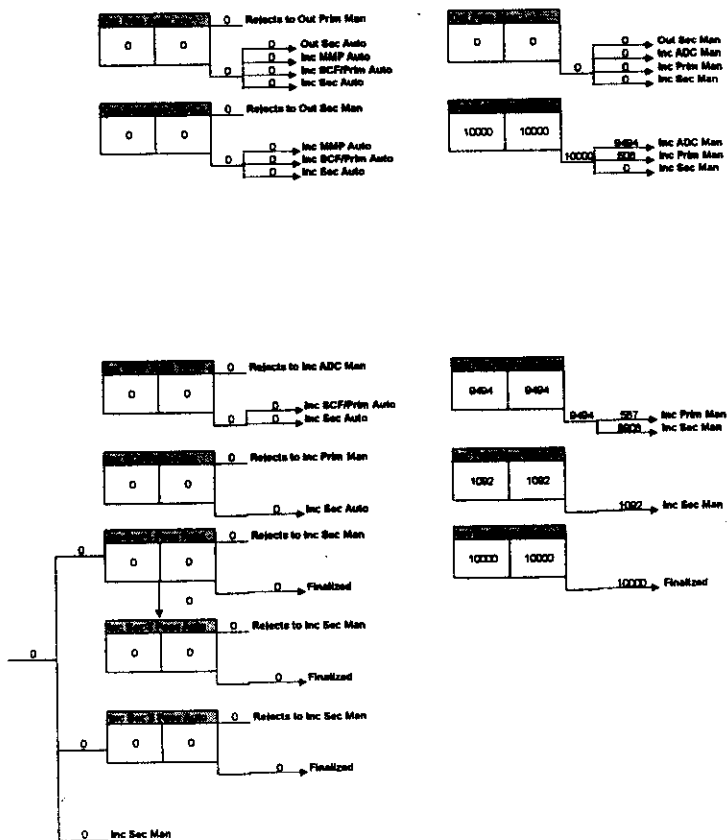
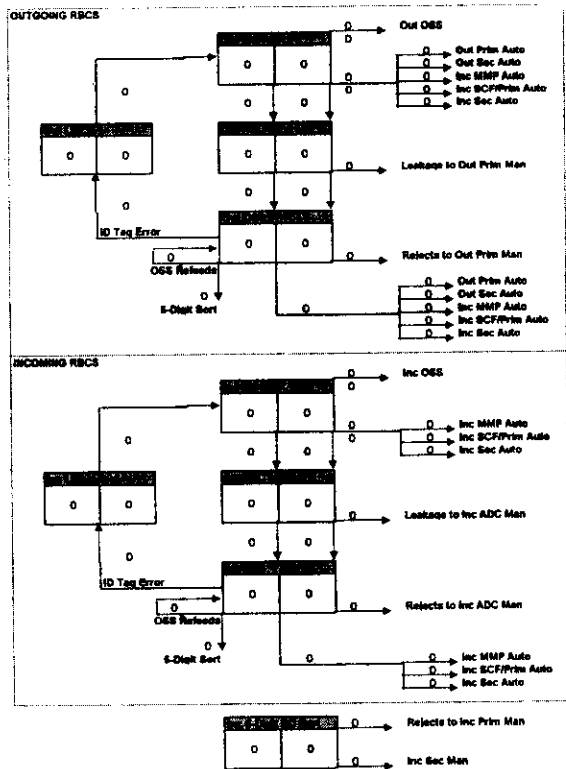
- (7) $[(6) - 1] * (4)$
 (8) $(4) * (5) + (7)$
 (9) $(1) * (8) / 10,000 \text{ Pieces}$
 (10) Sum (9)
 (11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

FIRST-CLASS MAIL NONAUTO NONMACHINABLE MADC PRESORT LETTERS
MAIL FLOW MODEL

PCS IN # 10000 PCS OUT # 10000

ENTRY POINTS:

ENTRY POINTS:			
Out ISS/RCR	0	Inc ISS/RCR	0
Out Prim Auto	0	Inc MNP Auto	0
Out Sec Auto	0	Inc SCFFPrtn Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	10000	Inc ABC Man	0
		Inc SCFFPrtn Man	0
		Inc Sec Man	0



FIRST-CLASS MAIL NONAUTO NONMACHINABLE ADC PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Pay Adjust	Total Cents Per Piece	Weighted Cents Per Piece
Entry Activities	10,000	—	—	—	—	—	—		
Package Sorting									
Outgoing RBCS									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Outgoing Primary									
Automation	0	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.000
Manual	0	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.000
Outgoing Secondary									
Automation	0	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.000
Manual	0	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.000
Incoming RBCS									
ISS	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Incoming MMP									
Automation AADC	0	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.000
Manual ADC	10,000	900	\$30.840	3.427	1.406	1.012	0.042	4.860	4.860
Incoming SCF/Primary									
Automation	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Manual	618	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.281
5-Digit Barcode Sort	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Incoming Secondaries									
Auto Carrier Route	0	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.000
Auto 3-Pass DPS	0	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.000
Auto 2-Pass DPS	0	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.000
Man Inc Sec Final At Plant	7,381	807	\$30.840	3.822	1.365	1.012	0.047	5.264	3.885
Man Inc Sec Final At DU	2,619	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.915
Box Section Sort, DPS	0	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.000
Box Section Sort, Other	890	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.316

(10)
MODEL COST = **0.0073**

(11)
DPS % = **0.00%**

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) [(3) * (100 cents/dollar)] / (2)
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

- (7) [(6) - 1] * (4)
(8) (4) * (5) + (7)
(9) (1) * (8) / 10,000 Pieces
(10) Sum (9)
(11) (Pieces Finalized in DPS Operations) /
(10,000 Pieces)

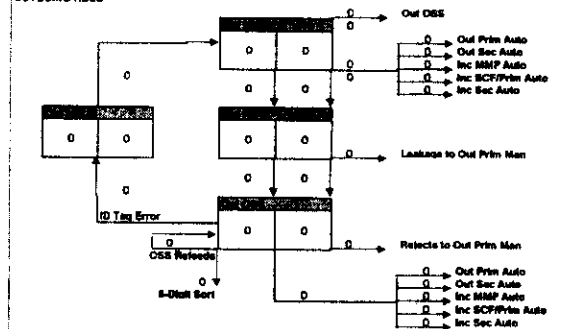
FIRST-CLASS MAIL NONAUTO NONMACHINABLE ADC PRESORT LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

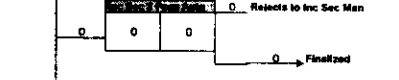
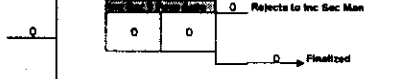
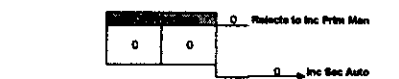
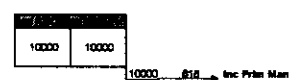
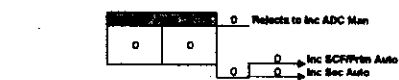
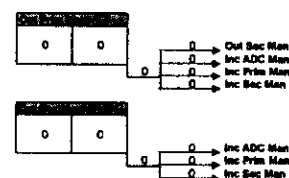
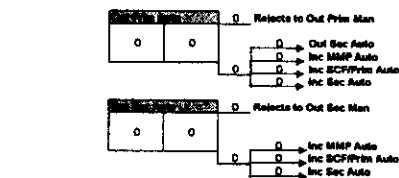
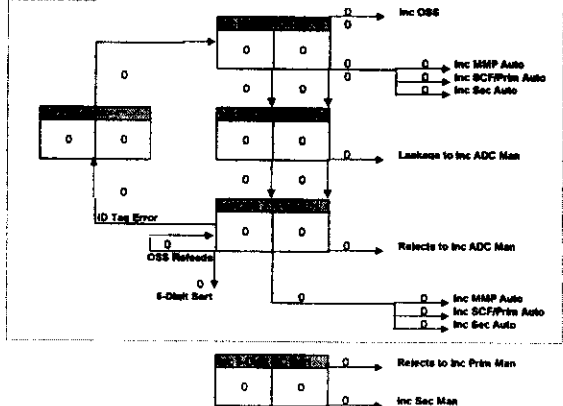
ENTRY POINTS:

Out MS/RCR	0	Inc MS/RCR	0
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCF/Prim Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	10000
		Inc SCF/Prim Man	0
		Inc Sec Man	0

OUTGOING RBCS



INCOMING RBcs



Inc Sec Man

FIRST-CLASS MAIL NONAUTO NONMACHINABLE 3-DIGIT PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Pay Adjust	Total Cents Per Piece	Weighted Cents Per Piece
Entry Activities	10,000	---	---	---	---	---	---	---	---
Package Sorting	10,000	---	---	---	---	---	---	---	---
Outgoing RBCS									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Outgoing Primary									
Automation	0	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.000
Manual	0	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.000
Outgoing Secondary									
Automation	0	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.000
Manual	0	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.000
Incoming RBCS									
ISS	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Incoming MMP									
Automation AADC	0	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.000
Manual ADC	0	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.000
Incoming SCF/Primary									
Automation	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Manual	10,000	934	\$30.840	3.300	1.365	1.012	0.040	4.545	4.545
5-Digit Barcode Sort	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Incoming Secondaries									
Auto Carrier Route	0	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.000
Auto 3-Pass DPS	0	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.000
Auto 2-Pass DPS	0	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.000
Man Inc Sec Final At Plant	7,381	807	\$30.840	3.822	1.365	1.012	0.047	5.264	3.885
Man Inc Sec Final At DU	2,619	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.915
Box Section Sort, DPS	0	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.000
Box Section Sort, Other	890	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.316

(10)
MODEL COST = 10.386

(11)
DPS % = 0.00%

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) $[(3) * (100 \text{ cents/dollar})] / (2)$
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

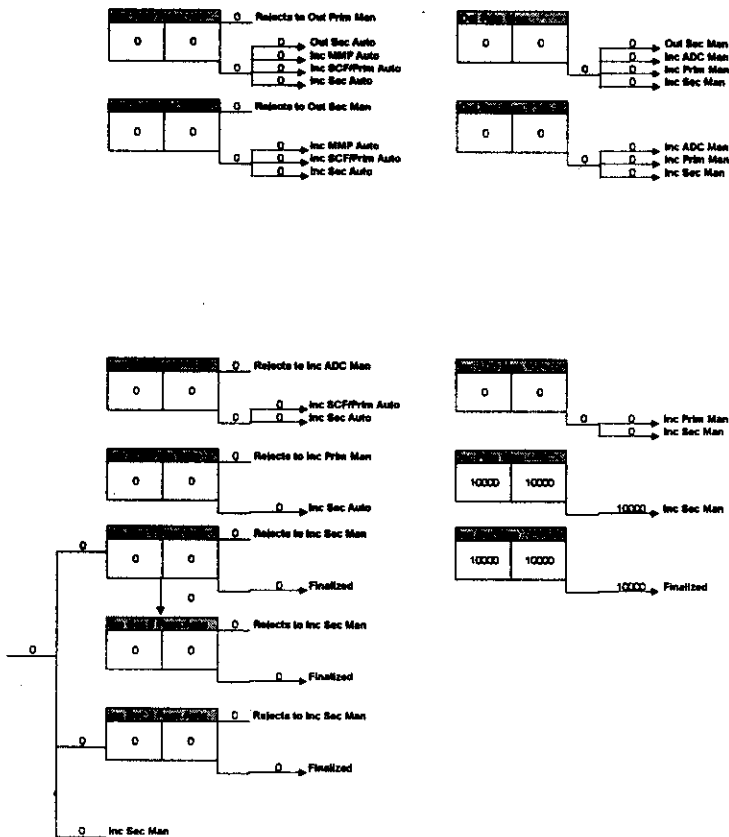
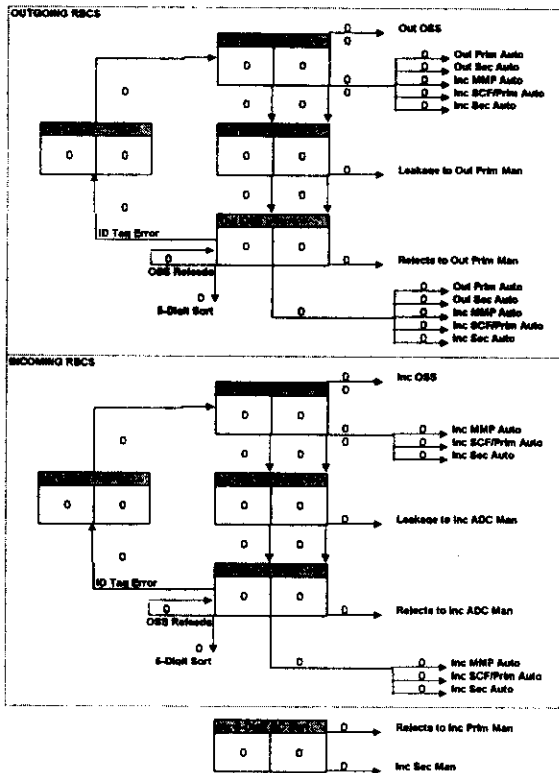
- (7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8) / 10,000 \text{ Pieces}$
(10) Sum (9)
(11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

FIRST-CLASS MAIL NONAUTO NONMACHINABLE 3-DIGIT PRESORT LETTERS
MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

ENTRY POINTS:			
Out ISS/RCCR	0	Inc ISS/RCCR	0
Out Prim Auto	0	Inc MMF Auto	0
Out Sec Auto	0	Inc SCFF/Prim Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCFF/Prim Man	10000
		Inc Sec Man	0



FIRST-CLASS MAIL NONAUTO NONMACHINABLE 5-DIGIT PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Entry Activities</u>	<u>TPH</u>	<u>Pieces Per Hour</u>	<u>Wage Rate</u>	<u>Direct Cents Per Piece</u>	<u>Piggyback Factor</u>	<u>Premium Pay Factor</u>	<u>Premium Pay Adjust</u>	<u>Total Cents Per Piece</u>	<u>Weighted Cents Per Piece</u>
Package Sorting	10,000	—	—	—	—	—	—	0.78	0.78
<u>Outgoing RBCS</u>									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
<u>Outgoing Primary</u>									
Automation	0	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.000
Manual	0	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.000
<u>Outgoing Secondary</u>									
Automation	0	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.000
Manual	0	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.000
<u>Incoming RBCS</u>									
ISS	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
<u>Incoming MMP</u>									
Automation AADC	0	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.000
Manual ADC	0	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.000
<u>Incoming SCF/Primary</u>									
Automation	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Manual	0	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.000
<u>5-Digit Barcode Sort</u>	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
<u>Incoming Secondaries</u>									
Auto Carrier Route	0	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.000
Auto 3-Pass DPS	0	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.000
Auto 2-Pass DPS	0	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.000
Man Inc Sec Final At Plant	7,381	807	\$30.840	3.822	1.365	1.012	0.047	5.264	3.885
Man Inc Sec Final At DU	2,619	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.915
Box Section Sort, DPS	0	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.000
Box Section Sort, Other	890	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.316

(10)
MODEL COST = 6.884

(11)
DPS % = 0.00%

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) $[(3) * (100 \text{ cents/dollar})] / (2)$
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

- (7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8) / 10,000 \text{ Pieces}$
(10) Sum (9)
(11) (Pieces Finalized in DPS Operations) / (10,000 Pieces)

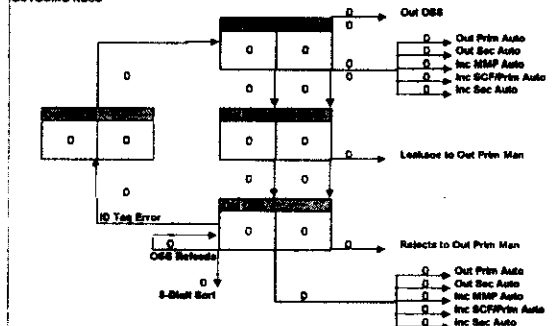
FIRST-CLASS MAIL NONAUTO NONMACHINABLE 5-DIGIT PRESORT LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

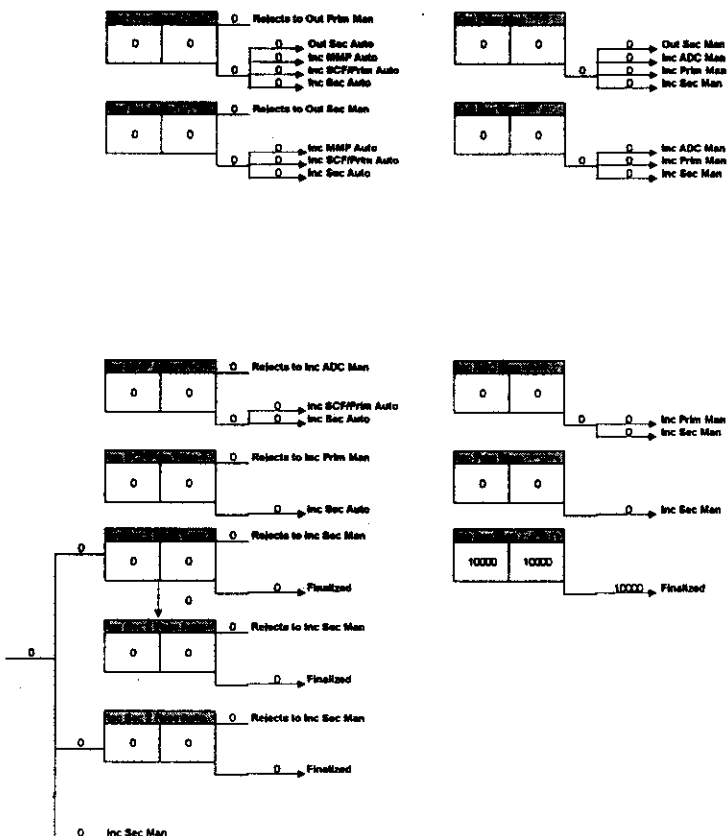
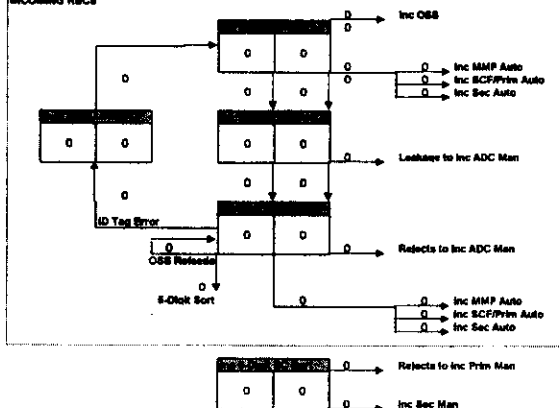
ENTRY POINTS:

Out SEARCH	0	Inc SEARCH	0
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCFPrm Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCFPrm Man	0
		Inc Sec Man	10000

OUTGOING RBGS



INCOMING RBGS



FIRST-CLASS MAIL AUTO MIXED AADC PRESORT LETTERS

COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Pay Adjust	Total Cents Per Piece	Weighted Cents Per Piece
Entry Activities									
Package Sorting	10,000	—	—	—	—	—	—	0.000	0.000
Outgoing RBCS									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Outgoing Primary									
Automation	0	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.000
Manual	0	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.000
Outgoing Secondary									
Automation	10,308	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.662
Manual	400	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.209
Incoming RBCS									
ISS	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Incoming MMP									
Automation AADC	4,559	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.440
Manual ADC	561	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.272
Incoming SCF/Primary									
Automation	5,496	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.484
Manual	275	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.125
5-Digit Barcode Sort	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Incoming Secondaries									
Auto Carrier Route	2,047	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.215
Auto 3-Pass DPS	3,122	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.058
Auto 2-Pass DPS	13,184	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.784
Man Inc Sec Final At Plant	1,278	807	\$30.840	3.822	1.365	1.012	0.047	5.264	0.673
Man Inc Sec Final At DU	453	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.158
Box Section Sort, DPS	656	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.117
Box Section Sort, Other	234	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.083

(10)
MODEL COST = 4.280

(11)
DPS % = 73.76%

- (1) Values From "MODEL" Spreadsheet
 (2) Values From "PRODUCTIVITY" Spreadsheet
 (3) Values From "WAGE" Spreadsheet
 (4) $[(3) * (100 \text{ cents/dollar})] / (2)$
 (5) Values From "PIGGYBACK" Spreadsheet
 (6) Values From "WAGE" Spreadsheet

- (7) $[(6) - 1] * (4)$
 (8) $(4) * (5) + (7)$
 (9) $(1) * (8) / 10,000 \text{ Pieces}$
 (10) Sum (9)
 (11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

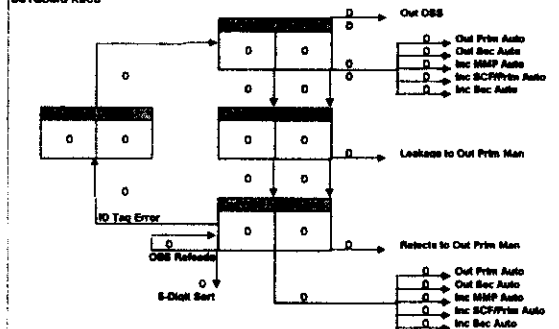
FIRST-CLASS MAIL AUTO MIXED AADC PRESORT LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

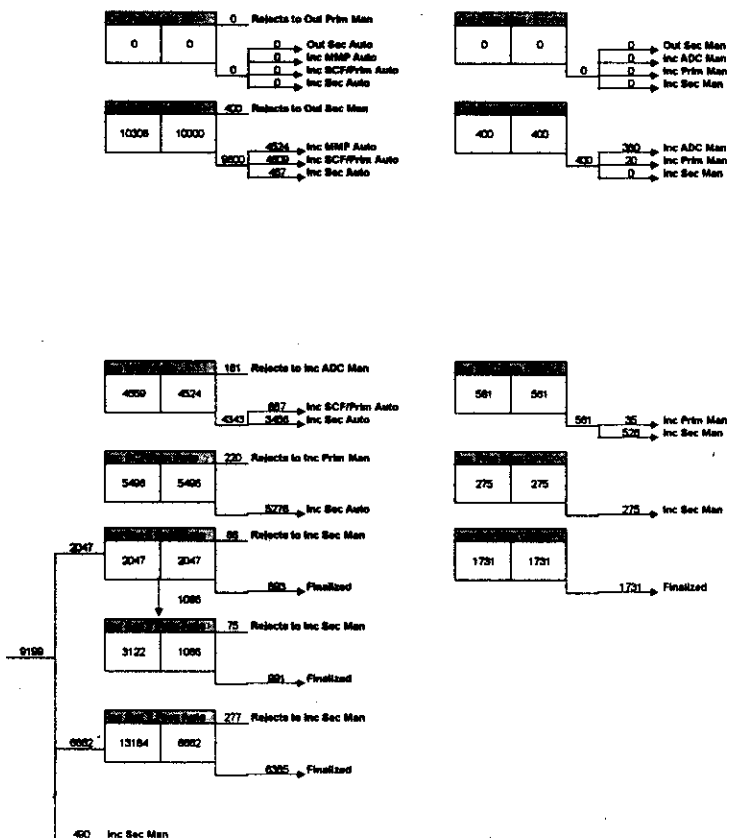
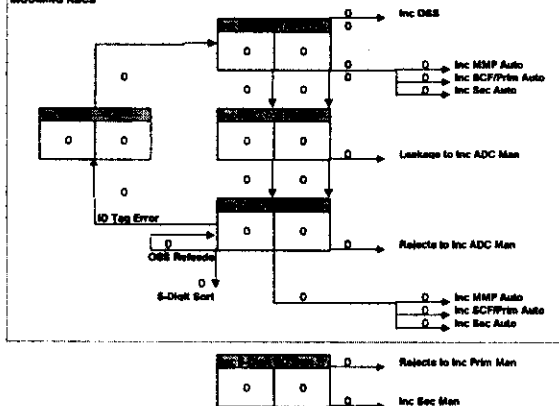
ENTRY POINTS:

Out RMR/R	0	Inc ISS/RMR	0
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	10000	Inc SCFFPrim Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCFFPrim Man	0
		Inc Sec Man	0

OUTGOING RBGS



INCOMING RBGS



FIRST-CLASS MAIL AUTO AADC PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Entry Activities</u>	<u>TPH</u>	<u>Pieces</u>	<u>Wage</u>	<u>Direct</u>	<u>Piggyback</u>	<u>Premium</u>	<u>Premium</u>	<u>Total</u>	<u>Weighted</u>
Package Sorting	10,000	—	—	—	—	—	—	0.000	0.000
<u>Outgoing RBCS</u>									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
<u>Outgoing Primary</u>									
Automation	0	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.000
Manual	0	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.000
<u>Outgoing Secondary</u>									
Automation	0	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.000
Manual	0	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.000
<u>Incoming RBCS</u>									
ISS	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
<u>Incoming MMP</u>									
Automation AADC	10,079	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.973
Manual ADC	400	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.194
<u>Incoming SCF/Primary</u>									
Automation	1,961	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.173
Manual	103	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.047
<u>6-Digit Barcode Sort</u>	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
<u>Incoming Secondaries</u>									
Auto Carrier Route	2,119	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.222
Auto 3-Pass DPS	3,232	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.061
Auto 2-Pass DPS	13,646	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.811
Man Inc Sec Final At Plant	1,064	807	\$30.840	3.822	1.365	1.012	0.047	5.264	0.560
Man Inc Sec Final At DU	377	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.132
Box Section Sort, DPS	680	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.121
Box Section Sort, Other	210	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.075

(10)
MODEL COST = **3.368**

(11)
DPS % = **76.35%**

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) $[(3) * (100 \text{ cents/dollar})] / (2)$
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

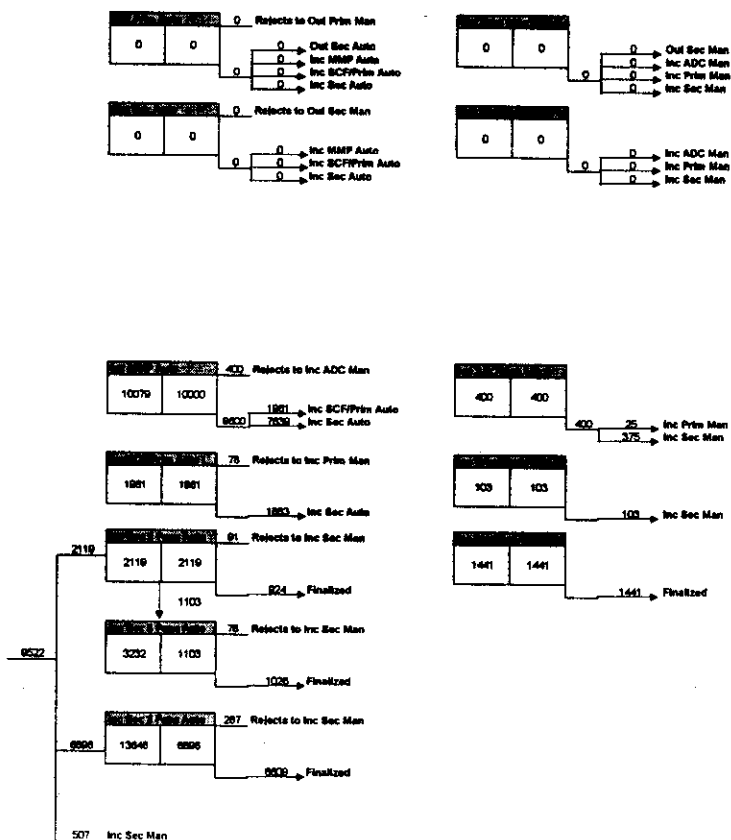
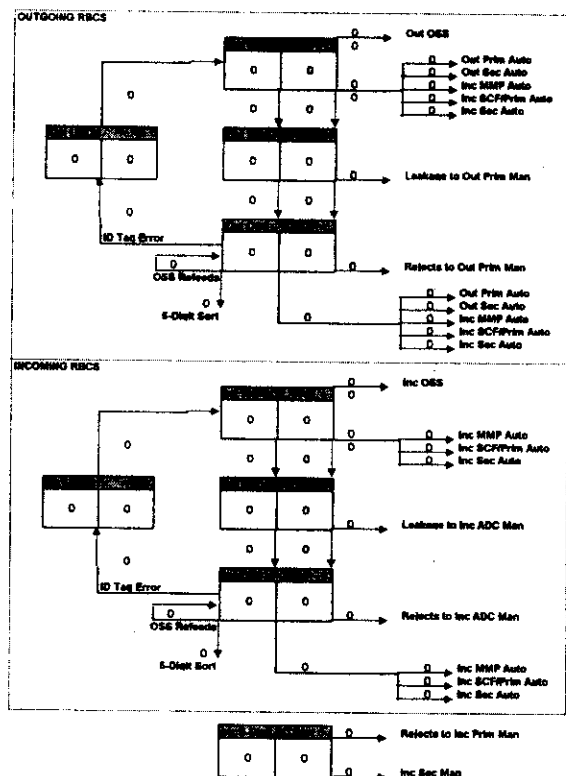
- (7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8) / 10,000 \text{ Pieces}$
(10) Sum (9)
(11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

FIRST-CLASS MAIL AUTO AADC PRESORT LETTERS
MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

ENTRY POINTS:			
Out ISB/RCR	0	Inc ISB/RCR	0
Out Prim Auto	0	Inc MNP Auto	10000
Out Sec Auto	0	Inc SCF/Prim Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc BCF/Prim Man	0
		Inc Sec Man	0



FIRST-CLASS MAIL AUTO 3-DIGIT PRESORT LETTERS **COST SHEET**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Entry Activities</u>	<u>TPH</u>	<u>Pieces Per Hour</u>	<u>Wage Rate</u>	<u>Direct Cents Per Piece</u>	<u>Piggyback Factor</u>	<u>Premium Pay Factor</u>	<u>Premium Pay Adjust</u>	<u>Total Cents Per Piece</u>	<u>Weighted Cents Per Piece</u>
Package Sorting	10,000	---	---	---	---	---	---	0.000	0.000
<u>Outgoing RBCS</u>									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
<u>Outgoing Primary</u>									
Automation	0	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.000
Manual	0	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.000
<u>Outgoing Secondary</u>									
Automation	0	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.000
Manual	0	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.000
<u>Incoming RBCS</u>									
ISS	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
<u>Incoming MMP</u>									
Automation AADC	0	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.000
Manual ADC	0	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.000
<u>Incoming SCF/Primary</u>									
Automation	10,000	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.880
Manual	400	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.182
<u>5-Digit Barcode Sort</u>	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
<u>Incoming Secondaries</u>									
Auto Carrier Route	2,136	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.224
Auto 3-Pass DPS	3,258	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.061
Auto 2-Pass DPS	13,759	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.818
Man Inc Sec Final At Plant	1,012	807	\$30.840	3.822	1.365	1.012	0.047	5.264	0.533
Man Inc Sec Final At DU	359	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.125
Box Section Sort, DPS	685	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.122
Box Section Sort, Other	205	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.073

(10)
MODEL COST = **3.017**

(11)
DPS % = **76.98%**

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) [(3) * (100 cents/dollar)] / (2)
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

- (7) [(6) - 1] * (4)
(8) (4) * (5) + (7)
(9) (1) * (8) / 10,000 Pieces
(10) Sum (9)
(11) (Pieces Finalized in DPS Operations) /
(10,000 Pieces)

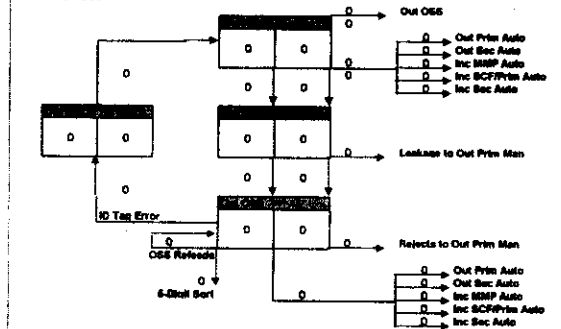
FIRST-CLASS MAIL AUTO 3-DIGIT PRESORT LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

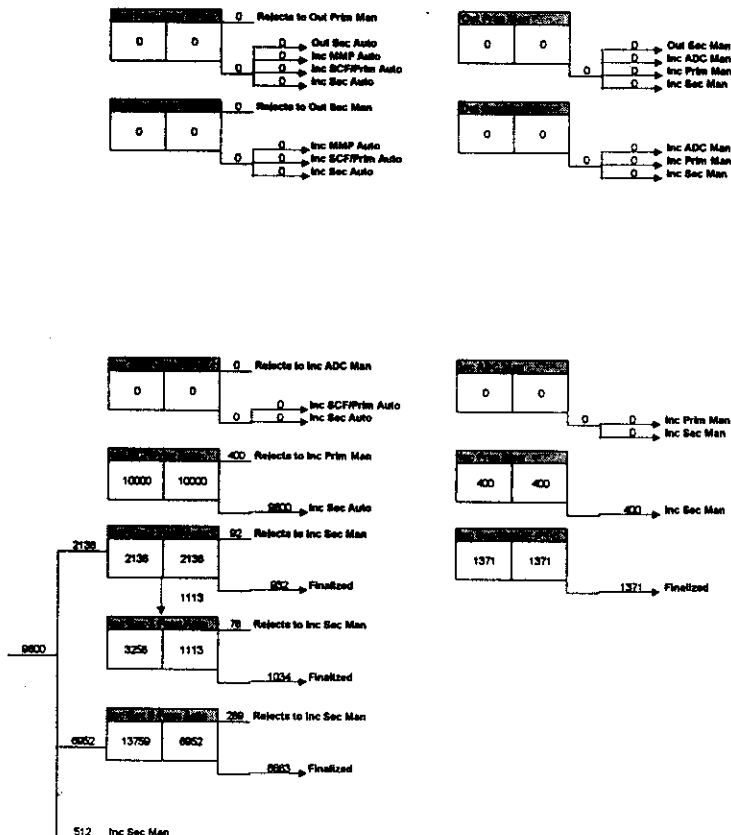
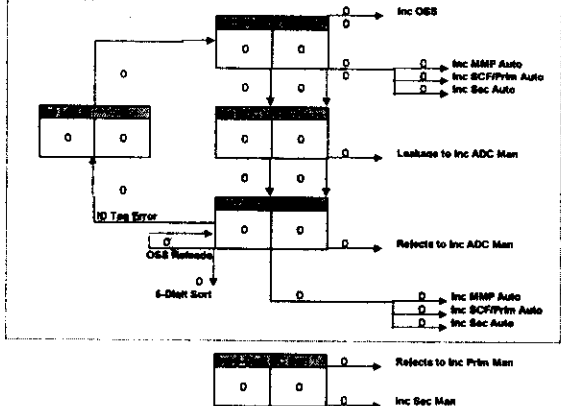
ENTRY POINTS:

Out USMACH	0	Inc REARMGN	0
Out Prim Auto	0	Inc MMPP Auto	0
Out Sec Auto	0	Inc SCFFPrim Auto	10000
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCFFPrim Man	0
		Inc Sec Man	0

OUTGOING RBCS



INCOMING RBCS



FIRST-CLASS MAIL AUTO 5-DIGIT PRESORT LETTERS (OTHER SITES)

COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Entry Activities	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Pay Adjust	Total Cents Per Piece	Weighted Cents Per Piece
Package Sorting	7,242	—	—	—	—	—	—	0.000	0.000
Outgoing RBCS									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Outgoing Primary									
Automation	0	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.000
Manual	0	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.000
Outgoing Secondary									
Automation	0	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.000
Manual	0	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.000
Incoming RBCS									
ISS	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Incoming MMP									
Automation AADC	0	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.000
Manual ADC	0	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.000
Incoming SCF/Primary									
Automation	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Manual	0	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.000
5-Digit Barcode Sort	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Incoming Secondaries									
Auto Carrier Route	0	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.000
Auto 3-Pass DPS	0	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.000
Auto 2-Pass DPS	14,332	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	1.176
Man Inc Sec Final At Plant	222	807	\$30.840	3.822	1.365	1.012	0.047	5.264	0.161
Man Inc Sec Final At DU	79	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.038
Box Section Sort, DPS	618	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.151
Box Section Sort, Other	27	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.013

(10)
MODEL COST = 1.540

(11)
DPS % = 95.84%

- (1) Values From "MODEL" Spreadsheet
 (2) Values From "PRODUCTIVITY" Spreadsheet
 (3) Values From "WAGE" Spreadsheet
 (4) $[(3) * (100 \text{ cents/dollar})] / (2)$
 (5) Values From "PIGGYBACK" Spreadsheet
 (6) Values From "WAGE" Spreadsheet

- (7) $[(6) - 1] * (4)$
 (8) $(4) * (5) + (7)$
 (9) $(1) * (8) / 10,000 \text{ Pieces}$
 (10) Sum (9)
 (11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

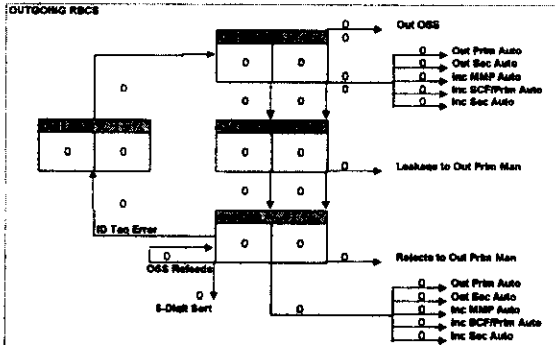
FIRST-CLASS MAIL AUTO 5-DIGIT PRESORT LETTERS (OTHER SITES) MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 7242

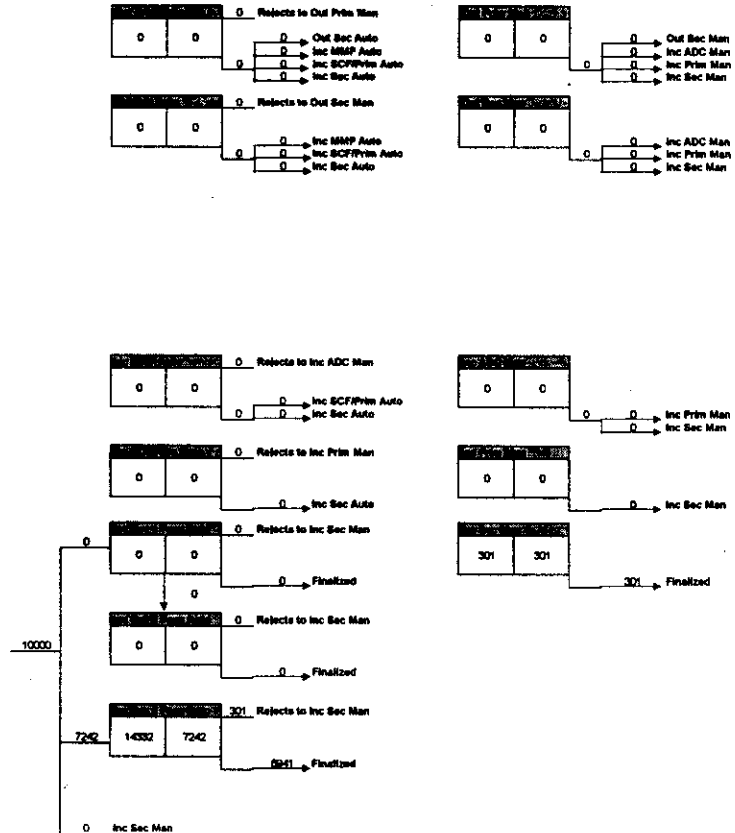
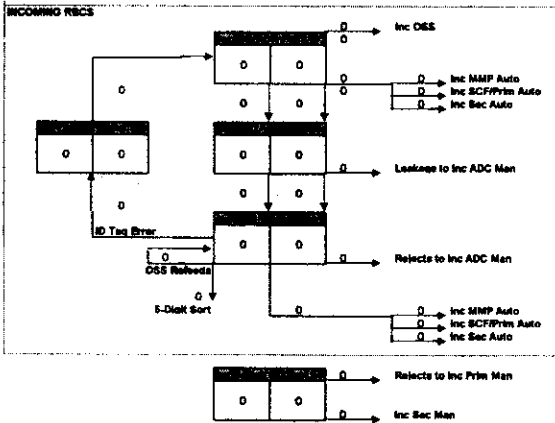
ENTRY POINTS:

Out ISS/RCR	0	Inc ISS/RCR	0
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCFFPrim Auto	0
Out Prim Man	0	Inc Sec Auto	10000
Out Sec Man	0	Inc ADC Man	0
		Inc SCFFPrim Man	0
		Inc Sec Man	0

OUTGOING RBCS



INCOMING RBcs



FIRST-CLASS MAIL AUTO 5-DIGIT PRESORT LETTERS (CSBCS/MANUAL SITES) **COST SHEET**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Entry Activities</u>	<u>TPH</u>	<u>Pieces Per Hour</u>	<u>Wage Rate</u>	<u>Direct Cents Per Piece</u>	<u>Piggyback Factor</u>	<u>Premium Pay Factor</u>	<u>Premium Pay Adjust</u>	<u>Total Cents Per Piece</u>	<u>Weighted Cents Per Piece</u>
Package Sorting	2,758	—	—	—	—	—	—	0.000	0.000
<u>Outgoing RBCS</u>									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
<u>Outgoing Primary</u>									
Automation	0	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.000
Manual	0	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.000
<u>Outgoing Secondary</u>									
Automation	0	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.000
Manual	0	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.000
<u>Incoming RBCS</u>									
ISS	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
<u>Incoming MMP</u>									
Automation AADC	0	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.000
Manual ADC	0	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.000
<u>Incoming SCF/Primary</u>									
Automation	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Manual	0	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.000
<u>5-Digit Barcode Sort</u>	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
<u>Incoming Secondaries</u>									
Auto Carrier Route	2,225	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.846
Auto 3-Pass DPS	3,394	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.230
Auto 2-Pass DPS	0	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.000
Man Inc Sec Final At Plant	524	807	\$30.840	3.822	1.365	1.012	0.047	5.264	1.000
Man Inc Sec Final At DU	186	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.236
Box Section Sort, DPS	96	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.062
Box Section Sort, Other	150	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.192

(10)
MODEL COST = 2.566

(11)
DPS % = 39.07%

- (1) Values From "MODEL" Spreadsheet
 (2) Values From "PRODUCTIVITY" Spreadsheet
 (3) Values From "WAGE" Spreadsheet
 (4) $[(3) * (100 \text{ cents/dollar})] / (2)$
 (5) Values From "PIGGYBACK" Spreadsheet
 (6) Values From "WAGE" Spreadsheet

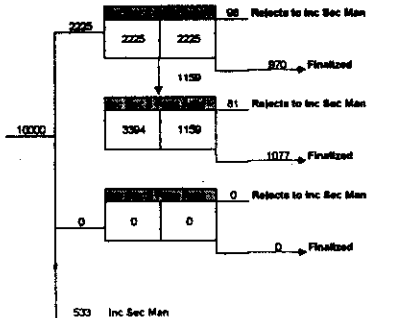
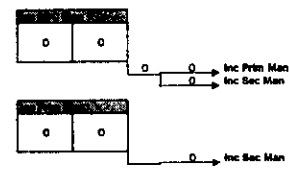
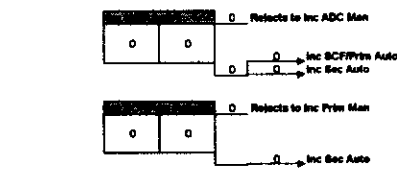
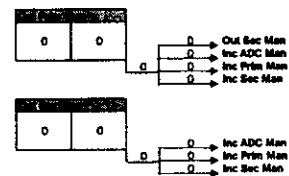
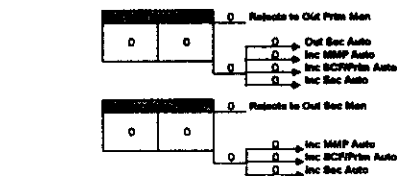
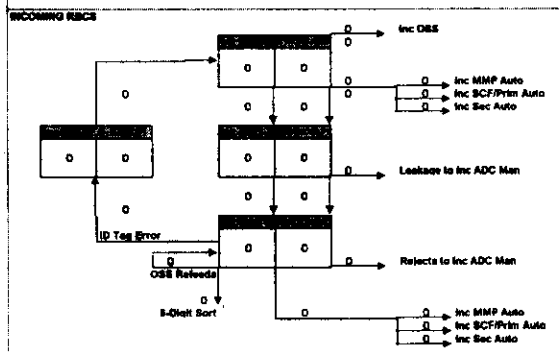
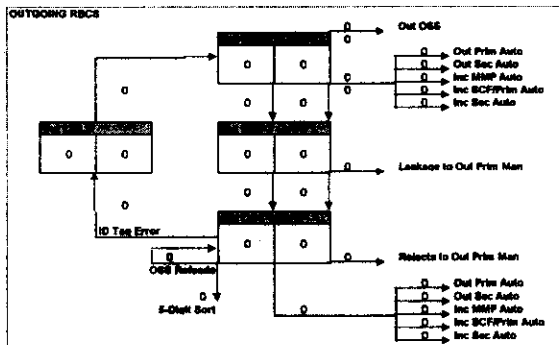
- (7) $[(6) - 1] * (4)$
 (8) $(4) * (5) + (7)$
 (9) $(1) * (8) / 10,000 \text{ Pieces}$
 (10) Sum (9)
 (11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

FIRST-CLASS MAIL AUTO 5-DIGIT PRESORT LETTERS (CSBCS/MANUAL SITES) MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 2758

ENTRY POINTS:

Out MAMP	0	Inc MAMP	0
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCFPrm Auto	0
Out Prim Man	0	Inc Sec Auto	10000
Out Sec Man	0	Inc ADC Man	0
		Inc SCFPrm Man	0
		Inc Sec Man	0



FIRST-CLASS MAIL AUTO CARRIER ROUTE PRESORT LETTERS

COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Entry Activities</u>	<u>TPH</u>	<u>Pieces</u>	<u>Wage</u>	<u>Direct</u>	<u>Piggyback</u>	<u>Premium</u>	<u>Premium</u>	<u>Total</u>	<u>Weighted</u>
Package Sorting	10,000	---	---	---	---	---	---	0.000	0.000
<u>Outgoing RBCS</u>									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
<u>Outgoing Primary</u>									
Automation	0	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.000
Manual	0	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.000
<u>Outgoing Secondary</u>									
Automation	0	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.000
Manual	0	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.000
<u>Incoming RBCS</u>									
ISS	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
<u>Incoming MMP</u>									
Automation AADC	0	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.000
Manual ADC	0	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.000
<u>Incoming SCF/Primary</u>									
Automation	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Manual	0	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.000
<u>5-Digit Barcode Sort</u>	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
<u>Incoming Secondaries</u>									
Auto Carrier Route	0	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.000
Auto 3-Pass DPS	12,859	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.241
Auto 2-Pass DPS	0	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.000
Man Inc Sec Final At Plant	228	807	\$30.840	3.822	1.365	1.012	0.047	5.264	0.120
Man Inc Sec Final At DU	81	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.028
Box Section Sort, DPS	363	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.064
Box Section Sort, Other	527	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.187

(10)
MODEL COST = 0.640

(11)
DPS % = 40.82%

- (1) Values From "MODEL" Spreadsheet
 (2) Values From "PRODUCTIVITY" Spreadsheet
 (3) Values From "WAGE" Spreadsheet
 (4) [(3) * (100 cents/dollar)] / (2)
 (5) Values From "PIGGYBACK" Spreadsheet
 (6) Values From "WAGE" Spreadsheet

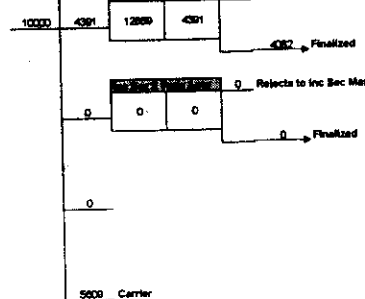
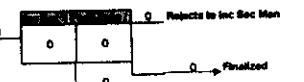
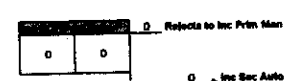
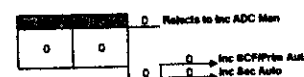
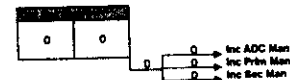
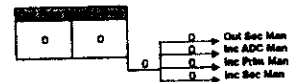
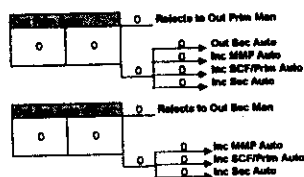
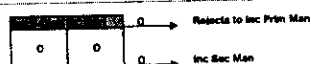
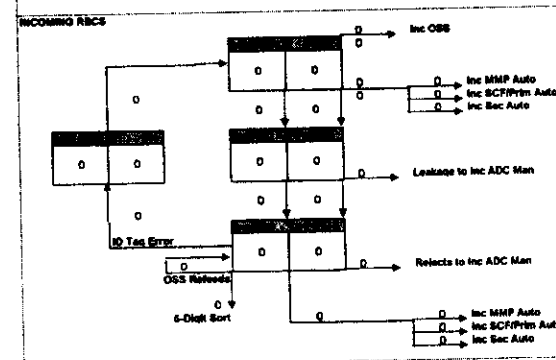
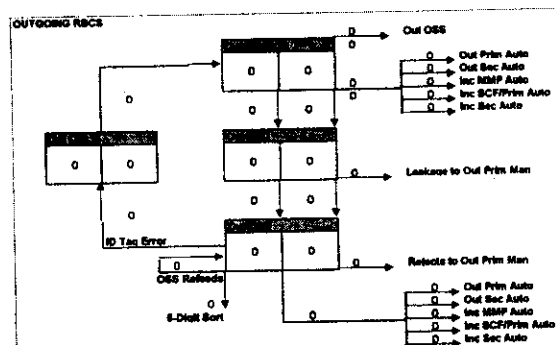
- (7) [(6) - 1] * (4)
 (8) (4) * (5) + (7)
 (9) (1) * (8) / 10,000 Pieces
 (10) Sum (9)
 (11) (Pieces Finalized in DPS Operations) /
 (10,000 Pieces)

FIRST-CLASS MAIL AUTO CARRIER ROUTE PRESORT LETTERS
MAIL FLOW MODEL

PCB IN = 10000 PCS OUT = 10000

ENTRY POINTS:

ENTRY POINTS:			
Out 184RCR	0	Inc 184RCR	0
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCFPrm Auto	0
Out Prim Man	0	Inc Sec Auto	10000
Out Sec Man	0	Inc ADC Man	0
		Inc SCFPrm Man	0
		Inc Sec Man	0



FIRST-CLASS MAIL SINGLE-PIECE MACHINABLE LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Pay Adjust	Total Cents Per Piece	Weighted Cents Per Piece
Entry Activities									
Package Sorting	0	—	—	—	—	—	—	0.000	0.000
Outgoing RBCS									
ISS/RCR	10,085	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.850
REC	363	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.156
OSS	1,330	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.076
LMLM	85	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.018
Outgoing Primary									
Automation	306	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.028
Manual	59	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.031
Outgoing Secondary									
Automation	2,790	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.179
Manual	119	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.062
Incoming RBCS									
ISS	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Incoming MMP									
Automation AADC	1,800	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.174
Manual ADC	192	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.094
Incoming SCF/Primary									
Automation	5,476	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.482
Manual	260	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.118
5-Digit Barcode Sort	88	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.008
Incoming Secondaries									
Auto Carrier Route	2,104	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.221
Auto 3-Pass DPS	3,209	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.060
Auto 2-Pass DPS	13,550	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.805
Man Inc Sec Final At Plant	1,108	807	\$30.840	3.822	1.365	1.012	0.047	5.264	0.583
Man Inc Sec Final At DU	393	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.137
Box Section Sort, DPS	675	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.120
Box Section Sort, Other	215	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.076

MODEL COST =	4.279	(10)
BULK METERED MAIL LETTERS WORKSHARING RELATED PROPORTIONAL COSTS =	6.447	(11)
METERED LETTERS MODEL COST =	4.276	(12)
CRA WORKSHARING RELATED PROPORTIONAL ADJUSTMENT FACTOR =	1.508	(13)
BULK METERED MAIL LETTERS WORKSHARING RELATED FIXED ADJUSTMENT FACTOR =	3.316	(14)
BULK METERED MAIL LETTERS NONWORKSHARING RELATED FIXED ADJUSTMENT FACTOR =	1.063	(15)
CRA ADJUSTED FIRST-CLASS SINGLE-PIECE MACHINABLE LETTERS COST =	10.832	(16)

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) $[(3) * (100 \text{ cents/dollar})] / (2)$
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

- (7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8) / 10,000 \text{ Pieces}$
(10) Sum (9)
(11) Value from "CRA LETTERS" Spreadsheet
(12) Value from "METER COSTS" Spreadsheet
(13) $(11) / (12)$
(14) Value from "CRA LETTERS" Spreadsheet
(15) Value from "CRA LETTERS" Spreadsheet
(16) $(10) * (13) + (14) + (15)$

FIRST-CLASS MAIL SINGLE-PIECE NONMACHINABLE LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Entry Activities	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Pay Adjust	Total Cents Per Piece	Weighted Cents Per Piece
Package Sorting	0	—	—	—	—	—	—	0.000	0.000
Outgoing RBCS									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.000
REC	0	698	\$20.408	2.924	1.458	1.012	0.036	4.302	0.000
OSS	0	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Outgoing Primary									
Automation	0	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.000
Manual	10,000	802	\$30.840	3.847	1.365	1.012	0.047	5.298	5.298
Outgoing Secondary									
Automation	0	9,312	\$30.840	0.331	1.928	1.012	0.004	0.843	0.000
Manual	1,886	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.984
Incoming RBCS									
ISS	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.408	2.924	1.458	1.012	0.036	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Incoming MMP									
Automation AADC	0	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.000
Manual ADC	3,072	900	\$30.840	3.427	1.406	1.012	0.042	4.860	1.493
Incoming SCF/Primary									
Automation	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Manual	3,603	934	\$30.840	3.300	1.365	1.012	0.040	4.545	1.638
5-Digit Barcode Sort	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Incoming Secondaries									
Auto Carrier Route	0	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.000
Auto 3-Pass DPS	0	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.000
Auto 2-Pass DPS	0	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.000
Man Inc Sec Final At Plant	7,381	807	\$30.840	3.822	1.365	1.012	0.047	5.264	3.885
Man Inc Sec Final At DU	2,619	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.915
Box Section Sort, DPS	0	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.000
Box Section Sort, Other	890	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.316

MODEL COST =	14.528	(10)
BULK METERED MAIL LETTERS WORKSHARING RELATED PROPORTIONAL COSTS =	6.447	(11)
METERED LETTERS MODEL COST =	4.276	(12)
CRA WORKSHARING RELATED PROPORTIONAL ADJUSTMENT FACTOR =	1.508	(13)
BULK METERED MAIL LETTERS WORKSHARING RELATED FIXED ADJUSTMENT FACTOR =	3.316	(14)
BULK METERED MAIL LETTERS NONWORKSHARING RELATED FIXED ADJUSTMENT FACTOR =	1.063	(15)
CRA ADJUSTED FIRST-CLASS SINGLE-PIECE NONMACHINABLE LETTERS COST =	26.285	(16)

(1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) $[(3) * (100 \text{ cents/dollar})] / (2)$
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

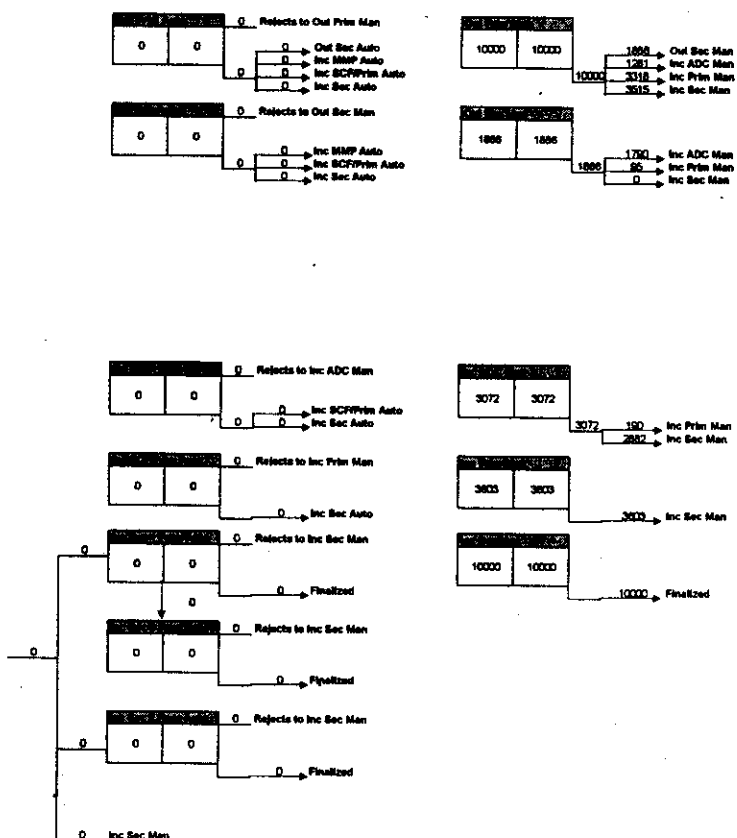
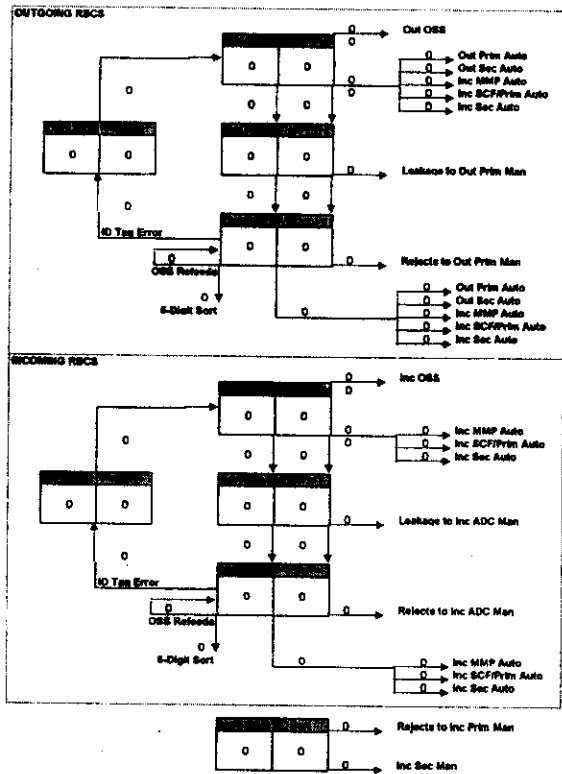
(7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8) / 10,000 \text{ Pieces}$
(10) Sum (9)
(11) Value from "CRA LETTERS" Spreadsheet
(12) Value from "METER COSTS" Spreadsheet
(13) $(11) / (12)$
(14) Value from "CRA LETTERS" Spreadsheet
(15) Value from "CRA LETTERS" Spreadsheet
(16) $(10) * (13) + (14) + (15)$

FIRST-CLASS MAIL SINGLE-PIECE NONMACHINABLE LETTERS
MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out MSB/PCR	0	Inc MSB/PCR	0
Out Prim Auto	0	Inc MIP Auto	0
Out Sec Auto	0	Inc SCRPrim Auto	0
Out Prim Man	10000	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCRPrim Man	0
		Inc Sec Man	0



FIRST-CLASS MAIL NONSTANDARD SINGLE-PIECE LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Pay Adjust	Total Cents Per Piece	Weighted Cents Per Piece
Entry Activities									
Package Sorting	0	—	—	—	—	—	—	0.000	0.000
Outgoing RBCS									
ISS/RCR		8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	
REC		698	\$20.409	2.924	1.459	1.012	0.038	4.302	
OSS		10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	
LMLM		3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	
Outgoing Primary									
Automation		6,559	\$30.840	0.470	1.937	1.012	0.008	0.916	
Manual		802	\$30.840	3.847	1.365	1.012	0.047	5.298	
Outgoing Secondary									
Automation		9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	
Manual		814	\$30.840	3.790	1.365	1.012	0.048	5.219	
Incoming RBCS									
ISS	0	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	0.000
REC	0	698	\$20.409	2.924	1.459	1.012	0.038	4.302	0.000
OSS	0	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.000
Incoming MMP									
Automation AADC		6,159	\$30.840	0.501	1.917	1.012	0.006	0.986	
Manual ADC		900	\$30.840	3.427	1.406	1.012	0.042	4.860	
Incoming SCF/Primary									
Automation		6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	
Manual		934	\$30.840	3.300	1.365	1.012	0.040	4.545	
6-Digit Barcode Sort		6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	
Incoming Secondaries									
Auto Carrier Route		5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	
Auto 3-Pass DPS		32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	
Auto 2-Pass DPS		10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	
Man Inc Sec Final At Plant		807	\$30.840	3.822	1.365	1.012	0.047	5.264	
Man Inc Sec Final At DU		1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	
Box Section Sort, DPS		2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	
Box Section Sort, Other		1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	

MODEL COST =	9.483	(10)
BULK METERED MAIL LETTERS WORKSHARING RELATED PROPORTIONAL COSTS =	6.447	(11)
METERED LETTERS MODEL COST =	4.275	(12)
CRA WORKSHARING RELATED PROPORTIONAL ADJUSTMENT FACTOR =	1.449	(13)
BULK METERED MAIL LETTERS WORKSHARING RELATED FIXED ADJUSTMENT FACTOR =	3.316	(14)
BULK METERED MAIL LETTERS NONWORKSHARING RELATED FIXED ADJUSTMENT FACTOR =	1.063	(15)
CRA ADJUSTED FIRST-CLASS NONSTANDARD SINGLE-PIECE LETTERS COST =	14.598	(16)

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) $[(3) * (100 \text{ cents/dollar})] / (2)$
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

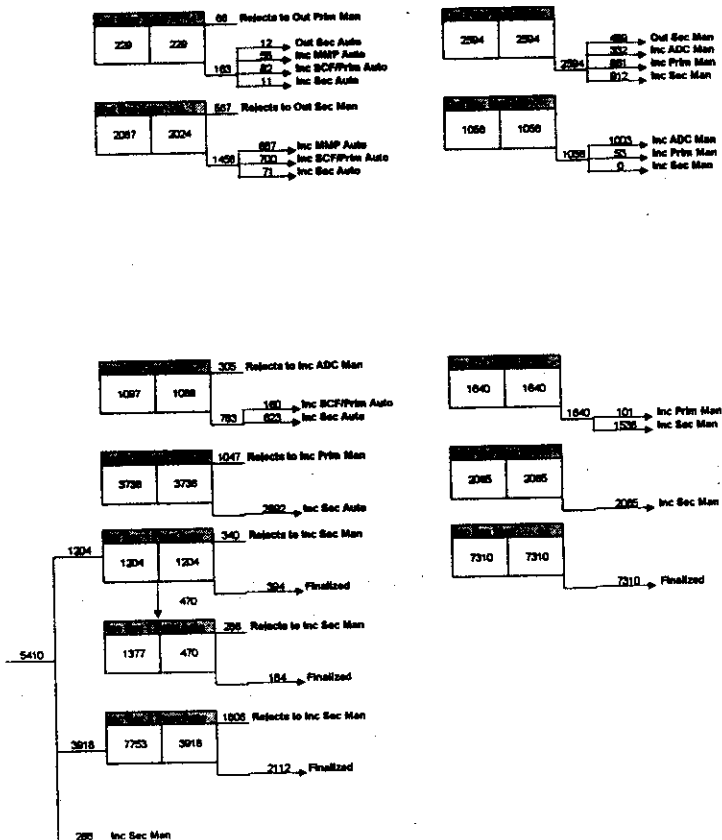
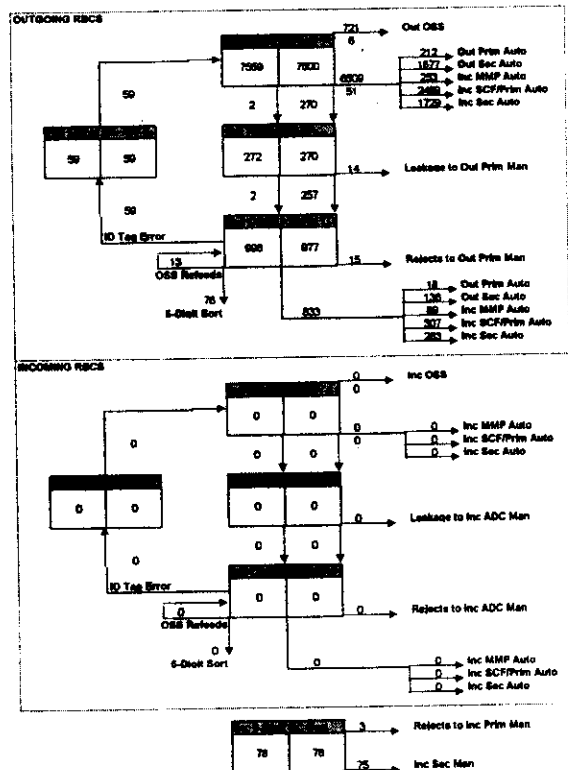
- (7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8) / 10,000 \text{ Pieces}$
(10) Sum (9)
(11) Value from "CRA LETTERS" Spreadsheet
(12) Value from "METER COSTS" Spreadsheet
(13) $(11) / (12)$
(14) Value from "CRA LETTERS" Spreadsheet
(15) Value from "CRA LETTERS" Spreadsheet
(16) $(10) * (13) + (14) + (15)$

FIRST-CLASS MAIL NONSTANDARD SINGLE-PIECE LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out BSR/CR	7500	Inc BSR/CR	0
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCF/Prim Auto	0
Out Prim Man	2500	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCF/Prim Man	0
		Inc Sec Man	0



FIRST-CLASS MAIL NONSTANDARD PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Entry Activities</u>	<u>TPH</u>	<u>Pieces Per Hour</u>	<u>Wage Rate</u>	<u>Direct Cents Per Piece</u>	<u>Piggyback Factor</u>	<u>Premium Pay Factor</u>	<u>Premium Pay Adjust</u>	<u>Total Cents Per Piece</u>	<u>Weighted Cents Per Piece</u>
Package Sorting	0	—	—	—	—	—	—	0.000	0.000
<u>Outgoing RBCS</u>									
ISS/RCR		6,142	\$30.840	0.379	2.213	1.012	0.005	0.843	
REC		698	\$20.409	2.924	1.459	1.012	0.036	4.302	
OSS		10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	
LMLM		3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	
<u>Outgoing Primary</u>									
Automation		6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	
Manual		802	\$30.840	3.847	1.365	1.012	0.047	5.298	
<u>Outgoing Secondary</u>									
Automation		9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	
Manual		814	\$30.840	3.790	1.365	1.012	0.046	5.219	
<u>Incoming RBCS</u>									
ISS		4,681	\$30.840	0.659	2.213	1.012	0.008	1.468	
REC		698	\$20.409	2.924	1.459	1.012	0.036	4.302	
OSS		9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	
LMLM		3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	
<u>Incoming MMP</u>									
Automation AADC		6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	
Manual ADC		900	\$30.840	3.427	1.406	1.012	0.042	4.860	
<u>Incoming SCF/Primary</u>									
Automation		6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	
Manual		834	\$30.840	3.300	1.365	1.012	0.040	4.545	
<u>5-Digit Barcode Sort</u>		6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	
<u>Incoming Secondaries</u>									
Auto Carrier Route		5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	
Auto 3-Pass DPS		32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	
Auto 2-Pass DPS		10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	
Man Inc Sec Final At Plant		807	\$30.840	3.822	1.365	1.012	0.047	5.264	
Man Inc Sec Final At DU		1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	
Box Section Sort, DPS		2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	
Box Section Sort, Other		1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	

MODEL COST =	7.988	(10)
NONAUTO WORKSHARING RELATED PROPORTIONAL COSTS =	9.887	(11)
WEIGHTED NONAUTO MODEL COST =		(12)
CRA NONAUTO WORKSHARING RELATED PROPORTIONAL ADJUSTMENT FACTOR =		(13)
NONAUTO WORKSHARING RELATED FIXED ADJUSTMENT FACTOR =	2.851	(14)
NONAUTO LETTERS NONWORKSHARING RELATED FIXED ADJUSTMENT FACTOR =	1.474	(15)
CRA ADJUSTED FIRST-CLASS NONSTANDARD PRESORT LETTERS COST =		(16)

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) $[(3) * (100 \text{ cents/dollar})] / (2)$
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

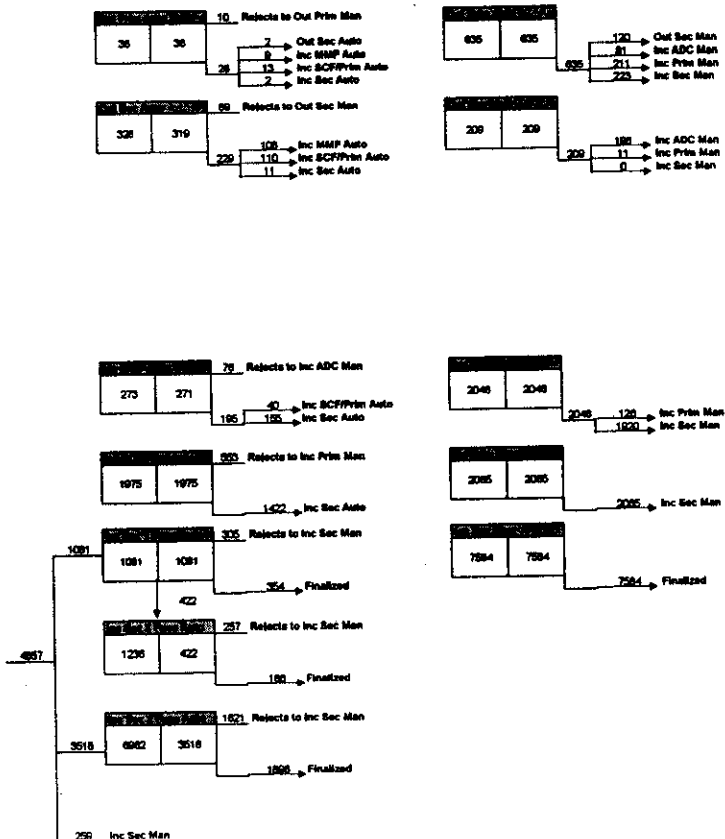
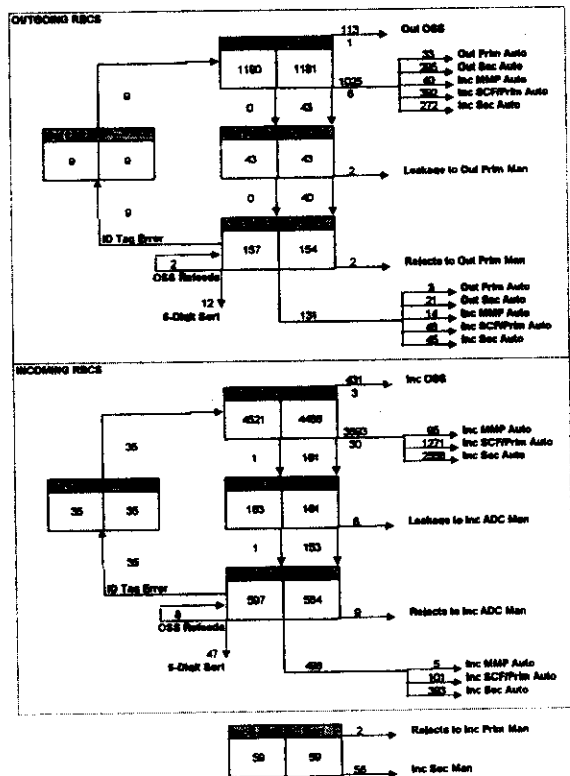
- (7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8) / 10,000 \text{ Pieces}$
(10) Sum (9)
(11) Value from "CRA LETTERS" Spreadsheet
(12) Value from "NONAUTO LTR DEAVG" Spreadsheet
(13) $(11) / (12)$
(14) Value from "CRA LETTERS" Spreadsheet
(15) Value from "CRA LETTERS" Spreadsheet
(16) $(10) * (13) + (14) + (15)$

FIRST-CLASS MAIL NONSTANDARD PRESORT LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out BANCER	1161	Inc BANCER	4488
Out Prim Auto	0	Inc MMAP Auto	0
Out Sec Auto	0	Inc SCFFPrim Auto	0
Out Prim Man	620	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	1673
		Inc SCFFPrim Man	1162
		Inc Sec Man	678



FIRST-CLASS MAIL NONSTANDARD SURCHARGE COSTS**A. INPUTS****1. AVERAGE TEST YEAR MAIL PROCESSING UNIT COSTS (CRA)**

Source: USPS LR-J-53

<u>Shape</u>	<u>First-Class Single Piece (Cents)</u>	<u>First-Class Presort (Cents)</u>
Letters	12.345	3.594
Flats	38.751	

2. VOLUMES BY SHAPE

Source: FY 2000 RPW Data

Source: FY 2000 Mailing Statement (PERMIT) Data

<u>Shape</u>	<u>First-Class Single Piece FY00 Volume</u>	<u>First-Class Single Piece FY00 Percent</u>	<u>First-Class Presort FY00 Volume</u>	<u>First-Class Presort FY00 Percent</u>
Letters	61,785,883	13.38%	14,843,971	33.73%
Flats	355,875,364	77.07%	23,067,362	52.41%
Parcels	<u>44,083,720</u>	<u>9.55%</u>	<u>6,099,183</u>	<u>13.86%</u>
	461,744,967	100.00%	44,010,516	100.00%

3. MANUAL LETTER MAIL PROCESSING UNIT COSTS (MODELS)

<u>Shape</u>	<u>First-Class Single Piece (Cents)</u>	<u>First-Class Presort (Cents)</u>
Letters		

B. RESULTS**Formula:**

(Manual Model SP Letters - CRA SP Letters) * (% SP Letters)

+ (CRA SP Flats - CRA SP Letters) * (% SP Flats)

+ (CRA SP Flats - CRA SP Letters) * (% SP Parcels)

Additional Nonstandard Single Piece Letter Costs

<u>First-Class Single Piece (Cents)</u>	<u>% Total Cost</u>
20.351	
<u>2.521</u>	
	100.00%

Formula:

(Manual Model Prst Letters - CRA Prst Letters) * (% Prst Letters)

+ (CRA SP Flats - CRA SP Letters) * (CRA Prst Letters / CRA SP Letters) * (% Prst Flats)

+ (CRA SP Flats - CRA SP Letters) * (CRA Prst Letters / CRA SP Letters) * (% Prst Parcels)

Additional Nonstandard Presort Letter Costs

<u>First-Class Presort (Cents)</u>	<u>% Total Cost</u>
4.029	
<u>1.065</u>	
	100.00%

MARGINAL (VOLUME VARIABLE) PRODUCTIVITIES

	(1)	(2)		(3)
<u>Description</u>	<u>Variability Factor</u>	<u>MODS Productivity</u>	<u>Productivity Source</u>	<u>Marginal Productivity</u>
Outgoing ISS	0.770	6269	USPS LR-J-56	8,142
Incoming ISS	0.770	3604	USPS LR-J-56	4,681
REC	1.000	698	USPS LR-J-56	698
LMLM	1.000	3749	USPS LR-J-56	3,749
Outgoing OSS	0.896	9177	USPS LR-J-56	10,240
Incoming OSS	0.926	8539	USPS LR-J-56	9,225
Outgoing BCS Primary	0.873	5724	USPS LR-J-56	6,559
Outgoing BCS Secondary	0.877	8162	USPS LR-J-56	9,312
Incoming BCS MMP	0.882	5431	USPS LR-J-56	6,159
Incoming BCS SCF/Primary	0.895	5959	USPS LR-J-56	6,658
Incoming BCS Secondary Carrier Route	0.891	5001	USPS LR-J-56	5,614
Incoming BCS Secondary DPS (2 Pass)	0.870	8826	USPS LR-J-56	10,145
Incoming CSBCS Secondary DPS (3 Pass)	0.870	28,156	USPS LR-J-56	32,363
Manual Outgoing Primary	0.580	465	USPS LR-J-56	802
Manual Outgoing Secondary	0.580	472	USPS LR-J-56	814
Manual ADC	0.580	522	USPS LR-J-56	900
Manual Incoming SCF/Primary	0.580	542	USPS LR-J-56	934
Manual Incoming Secondary, MODS Site	0.580	468	USPS LR-J-56	807
Manual Incoming Secondary Non MODS Sites	0.940	1,143	Docket No. MC95-1, Exhibit USPS-T-10F	1,216
P.O. Box Sort DPS	0.950	2,341	Docket No. MC95-1, Exhibit USPS-T-10F	2,464
P.O. Box Sort Other	0.950	1,171	Docket No. MC95-1, Exhibit USPS-T-10F	1,233
Tray Opening Unit Bundle Sorting	0.960	160	Docket No. MC95-1, Exhibit USPS-T-10B	167

(1) USPS LR-J-55

(2) Data Sources As Indicated

(3) (2) / (1)

TEST YEAR WAGE RATES

<u>Description</u>	<u>Source</u>	<u>Wage Rate</u>
Remote Encoding Centers (REC)	USPS LR-J-50	20.409
Other Mail Processing	USPS LR-J-50	30.840
Premium Pay Adjustment Factor	USPS LR-J-52	1.012

PIGGYBACK FACTORS

<u>EQUIPMENT</u> <u>DESCRIPTION</u>	<u>SOURCE</u>	<u>VALUE</u>
MLOCR	USPS LR-J-53	2.213
REC	USPS LR-J-52	1.459
LMLM	USPS LR-J-52	2.567
MPBCS	USPS LR-J-52	1.787
DBCS	USPS LR-J-52	1.943
CSBCS	USPS LR-J-52	1.953
Manual	USPS LR-J-53	1.365
Manual P.O. Box	USPS LR-J-53	1.406
Tray Opening Unit Bundle Sorting	USPS LR-J-53	1.556
<u>OPERATION</u> <u>DESCRIPTION</u>		<u>(1)</u> <u>VALUE</u>
Outgoing ISS		2.213
Outgoing REC		1.459
Outgoing OSS		1.885
Outgoing LMLM		2.567
Outgoing Prim Auto		1.937
Outgoing Prim Man		1.365
Outgoing Sec Auto		1.928
Outgoing Sec Man		1.365
Incoming ISS		2.213
Incoming REC		1.459
Incoming OSS		1.819
Incoming LMLM		2.567
Incoming MMP Auto		1.917
Incoming ADC Man		1.406
Incoming SCF/Prim Auto		1.887
Incoming SCF/Prim Man		1.365
Incoming 5-Digit Barcode Sort		1.887
Incoming Sec Auto Carrier Route		1.897
Incoming Sec Auto 3-Pass DPS		1.953
Incoming Sec Auto 2-Pass DPS		1.943
Man Inc Sec Final At Plant		1.365
Man Inc Sec Final At DU		1.365
Box Section Sort, DPS		1.406
Box Section Sort, Other		1.406
Tray Opening Unit Bundle Sorting		1.556

(1) For automation operations, these factors are the weighted average of MPBCS and DBCS piggyback factors using volume percentages in "FY 00 MODS" spreadsheet

FY 2000 MODS VOLUMES

Source: Corporate Information System

<u>Oper No.</u>	<u>Description</u>	<u>MODS Volume</u>	<u>% Volume</u>	
971	Outgoing Primary OSS - MPBCS	7,985,660,700	33.66%	37.36%
972	Outgoing Secondary OSS - MPBCS	878,580,800	3.70%	
271	Outgoing Primary OSS - DBCS	14,070,389,300	59.30%	62.64%
272	Outgoing Secondary OSS - DBCS	<u>791,632,100</u>	3.34%	
		23,726,262,900	100.00%	
871	Outgoing Primary - MPBCS	586,752,200	3.80%	
891	Outgoing Primary - DBCS	<u>14,868,055,800</u>	<u>96.20%</u>	
		15,454,808,000	100.00%	
872	Outgoing Secondary - MPBCS	1,154,795,000	9.30%	
892	Outgoing Secondary - DBCS	<u>11,256,612,400</u>	<u>90.70%</u>	
		12,411,407,400	100.00%	
973	Incoming MMP OSS - MPBCS	1,948,035,400	38.28%	79.55%
974	Incoming SCF OSS - MPBCS	1,215,252,700	23.88%	
975	Incoming Primary OSS - MPBCS	884,543,800	17.38%	20.45%
273	Incoming MMP OSS - DBCS	697,271,100	13.70%	
274	Incoming SCF OSS - DBCS	274,473,700	5.39%	
275	Incoming Primary OSS - DBCS	<u>68,903,100</u>	1.35%	
		5,088,479,800	100.00%	
873	Incoming MMP - MPBCS	4,829,566,200	16.90%	
893	Incoming MMP - DBCS	<u>23,741,428,000</u>	<u>83.10%</u>	
		28,570,994,200	100.00%	
874	Incoming SCF - MPBCS	12,046,099,700	25.28%	35.79%
875	Incoming Primary - MPBCS	5,007,310,500	10.51%	
894	Incoming SCF - DBCS	19,726,014,500	41.40%	64.21%
895	Incoming Primary DBCS	<u>10,870,574,800</u>	<u>22.81%</u>	
		47,649,999,500	100.00%	
876	Incoming Secondary Carrier Route - MPBCS	7,305,982,800	29.69%	
896	Incoming Secondary Carrier Route - DBCS	<u>17,302,665,500</u>	<u>70.31%</u>	
		24,608,648,300	100.00%	

FIRST-CLASS MAIL ENTRY PROFILE

Rate Category	Tray Presort Level	Entry Point	Source	Volume	Percent	
Nonautomation OCR Upgradable				3,162,997	100.00%	
5-Digit			Docket No. R97-1, LR-H-185	281,478	8.93%	8.93%
	Inc ISS			281,478		
3-Digit			Docket No. R97-1, LR-H-185	1,565,393	49.65%	49.65%
	Inc ISS			1,565,393		
AADC Trays			Docket No. R97-1, LR-H-185	504,094	15.99%	
	Inc ISS			401,259		12.73%
	Inc ISS			102,835		3.26%
Mixed AADC Trays			Docket No. R97-1, LR-H-185	802,032	25.44%	
	Out ISS			802,032		25.44%
Nonautomation Non-OCR Upgradable				606,318	100.00%	
5-Digit			Docket No. R97-1, LR-H-185	183,056	36.23%	36.23%
	Inc Iss			183,056		
3-Digit			Docket No. R97-1, LR-H-185	193,752	38.34%	38.34%
	Inc ISS			193,752		
ADC Trays			Docket No. R97-1, LR-H-185	20,468	4.05%	
	Inc ISS			16,293		3.22%
	Inc ISS			4,175		0.83%
Mixed ADC Trays			Docket No. R97-1, LR-H-185	108,042	21.38%	
	Out ISS			108,042		21.38%
Nonautomation Non-OCR Not Upgradable				2,874,842	100.00%	
55.56% = % nonmachinable						
5-Digit			Docket No. R97-1, LR-H-185	1,032,992	35.93%	
	Inc Iss			459,033		15.97%
	Inc Sec Man			573,959		19.96%
3-Digit			Docket No. R97-1, LR-H-185	1,312,026	45.84%	
	Inc ISS			583,029		20.28%
	Inc SCF/Prim Man			728,997		25.36%
ADC Trays			Docket No. R97-1, LR-H-185	263,273	9.16%	
	Inc ISS			93,125		3.24%
	Inc ISS			23,866		0.83%
	Inc ADC Man			116,440		4.05%
	Inc SCF/Prim Man			29,841		1.04%
Mixed ADC Trays			Docket No. R97-1, LR-H-185	266,551	9.27%	
	Out ISS			118,448		4.12%
	Out Prim Man			148,103		5.15%
Automation Basic				4,259,378	100.00%	
AADC Trays			Docket No. R97-1, LR-H-185	2,201,894	51.70%	
	Inc MMP Auto			1,752,708		41.15%
	Inc SCF/Prim Auto			449,186		10.55%
Mixed AADC Trays			Docket No. R97-1, LR-H-185	2,057,484	48.30%	
	Out Prim Auto			2,057,484		48.30%
Automation 3-Digit				19,388,008		
Automation 5-Digit				8,967,204		
Total Nonautomation and Automation Presort				39,147,747		

PRESORT LETTERS MAIL FLOW DENSITIES
Source: Docket No. R2000-1, USPS-T-24, Workpaper 1

-----OUTGOING-----				-----INCOMING-----			
<u>From Operation</u>	<u>Refeeds</u>	<u>Primary</u>	<u>Secondary</u>	<u>Mgd Mail Program</u>	<u>SCF/ Primary</u>	<u>Inc Sec</u>	<u>Total</u>
Out ISS Auto		3.22%	28.61%	3.86%	37.94%	26.36%	100.00%
Out OSS Auto		2.12%	16.26%	10.74%	36.88%	34.00%	100.00%
Out Prim Auto	0.05%		7.29%	35.74%	50.38%	6.59%	100.00%
Out Sec Auto	3.08%			47.12%	48.01%	4.87%	100.00%
Inc ISS Auto				2.41%	32.39%	65.19%	100.00%
Inc OSS Auto				0.92%	20.28%	78.81%	100.00%
Inc MMP Auto	0.79%				20.43%	79.57%	100.00%
Out Prim Man			18.86%	12.81%	33.18%	35.15%	100.00%
Out Sec Man				94.94%	5.06%	0.00%	100.00%
Inc ADC Man					6.18%	93.82%	100.00%

MISCELLANEOUS FACTORS

<u>Description</u>	<u>Source</u>	<u>Value</u>
AADC Trays Entered At MMP Operation	Docket No. R97-1, LR-H-128	79.60%
RBCS Leakage Rate	Operations Leakage Target	5.00%
Automation Incoming Secondaries		
Delivery Unit (ZIP Code)	FY00 F.A.S.T. Data	5.33%
Carrier Route	FY00 F.A.S.T. Data	10.14%
3-Pass DPS (CSBCS)	FY00 F.A.S.T. Data	12.11%
2-Pass DPS (DBCS)	FY00 F.A.S.T. Data	<u>72.42%</u>
		100.00%
Auto Carrier Route Presort % To CSBCS Site	(3) / [(1) + (2) + (3)]	43.91%
Finalized At Least To Carrier Route At Plant	Docket No. R2000-1, USPS-T-24A	73.81%
Post Office Box Destination	Docket No. MC95-1, USPS-T-10I	8.90%
Nonstandard Letters % Accept	Docket No. R2000-1, Tr. 22/10162 at 16	75.00%

PACKAGE SORTING COSTS

Test Year Wage Rate = \$30.840 (1)
Productivity = 167 (2)
Piggyback Factor = 1.686 (3)
Premium Pay Factor = 1.012 (4)
Cost (Cents) Per Package = 28.018 (6)

Package Type	Mix ADC to ADC	ADC to SCF/3-Dig	SCF/3-Dig to 5-Dig	Final Operation
5-Digit Packages				
No. of Operations (6)	0.5	0.8	1.3	
Cost Per Sort (7)	14.509	23.214	37.723	
3-Digit Packages				
No. of Operations (6)	0.5	1.0		0.5
Cost Per Sort (7)	14.509	29.018		14.509
ADC Packages				
No. of Operations (6)	1.0			1.0
Cost Per Sort (7)	28.018			28.018
Mixed ADC Packages				
No. of Operations (6)				1.0
Cost Per Sort (7)				28.018

Package/Container Type	(6) Mix ADC to ADC	(8) ADC to SCF/3-Dig	(8) SCF/3-Dig to 5-Dig	(8) Final Operation	(9) Total Cost	(10) Non-OCR Upgradable Volume	(11) %	(12) %	(13) Placed Per Package	(14) Cost Per Place	(16) Non-OCR Non-OCR Volume	(16) %	(17) %	(18) Placed Per Package	(19) Cost Per Place
Full 5-Digit Trays	0.000	0.000	0.000	0.000	0.000	183,056	38.23%	100.00%	0.0	0.000	1,032,882	35.83%	100.00%	0.0	0.000
Full 3-Digit Trays	0.000	0.000	0.000	0.000	0.000	0	0.00%	100.00%	0.0	0.000	0	0.00%	100.00%	0.0	0.000
5-Digit Packages in 3-Digit Trays	0.000	0.000	37.723	0.000	37.723	179,285	36.48%	89.11%	35.0	0.264	1,103,815	36.36%	100.00%	31.7	0.457
3-Digit Packages in 3-Digit Trays	0.000	0.000	0.000	14,509	14,509	14,467	2.86%	89.11%	36.9	0.007	208,411	7.25%	100.00%	36.1	0.027
5-Digit Packages in ADC Trays	0.000	23.214	37.723	0.000	60.937	4,263	0.84%	54.50%	16.9	0.017	86,157	3.00%	100.00%	18.5	0.086
3-Digit Packages in ADC Trays	0.000	28.018	0.000	14,509	43,527	14,567	2.86%	54.50%	27.1	0.025	174,285	6.08%	100.00%	32.4	0.061
ADC Packages in ADC Trays	0.000	0.000	0.000	29.018	29.018	1,636	0.32%	54.50%	24.1	0.002	2,851	0.10%	100.00%	24.5	0.001
5-Digit Packages in Mix ADC Trays	14,508	23.214	37.723	0.000	75,446	16,795	3.32%	54.50%	18.6	0.073	95,888	1.84%	100.00%	27.6	0.063
3-Digit Packages in Mix ADC Trays	14,508	28.018	0.000	14,509	58,036	43,040	8.52%	54.50%	32.3	0.063	144,881	5.04%	100.00%	25.1	0.117
ADC Packages in Mix ADC Trays	29.018	0.000	0.000	29.018	58,036	33,671	6.89%	54.50%	18.7	0.113	36,528	1.27%	100.00%	19.0	0.036
Mix ADC Packages in Mix ADC Trays	0.000	0.000	0.000	29.018	29.018	14,536	2.88%	54.50%	56.8	0.006	29,253	1.02%	100.00%	51.1	0.006
						806,318	100.00%			6.883	2,874,841	100.00%			6.879
										(20)					(21)

- (1) From "WAGE" spreadsheet
(2) From "PRODUCTIVITY" spreadsheet
(3) From "PIGGYBACK" spreadsheet
(4) From "WAGE" spreadsheet
(5) $[(1) \cdot 100 / (2)] \cdot [(3) + ((4) - 1)]$
(6) Number of Operations from Docket No. MC96-1, USPS-T-106
(7) $(5) \cdot (6)$
(8) Package costs from (7) based on container type
(9) Sum (8) for all containers
(10) Docket No. R97-1, USPS LR-H-185

- (11) $[(10) \text{ for each package and container type}] / [\text{total } (10)]$
(12) Docket No. MC96-1, Smith Workpaper Part VII
(13) Docket No. R97-1, USPS LR-H-185
(14) $(9) \cdot (11) \cdot (12) / (13)$
(15) Docket No. R97-1, USPS LR-H-185
(16) $[(10) \text{ for each package and container type}] / [\text{total } (10)]$
(17) Docket No. MC96-1, Smith Workpaper Part VII
(18) Docket No. R97-1, USPS LR-H-185
(19) $(9) \cdot (16) \cdot (17) / (18)$
(20) Sum (14)
(21) Sum (19)

0.879

STANDARD MAIL PRESORT LETTERS WORKSHARING RELATED SAVINGS

	(1)	(2)	(3)	(4)	(5)
BENCHMARK RATE CATEGORY	MAIL PROC TOTAL UNIT COST	MAIL PROC WORK- SHARING RELATED UNIT COST	DELIVERY WORK- SHARING RELATED UNIT COST	TOTAL WORK- SHARING RELATED UNIT COST	WORK- SHARING RELATED SAVINGS
Nonautomation Basic Presort Flats	19.729	---	8.312	28.041	---
Nonautomation Basic Presort Letters		---			
Nonautomation 3-Digit/5-Digit Presort Flats	12.866	---	8.312	21.178	---
Nonautomation 3-Digit/5-Digit Presort Letters		---			
Nonautomation Basic Presort Letters					---
Nonautomation 3-Digit/5-Digit Presort Letters					
Nonautomation Mixed AADC Presort Machinable Letters					---
Automation Mixed AADC Presort Letters	5.044	4.012	3.887	7.899	
Nonautomation AADC Presort Machinable Letters					---
Automation AADC Presort Letters	4.326	3.294	3.827	7.121	
Nonautomation 3-Digit Presort Machinable Letters					---
Automation 3-Digit Presort Letters	4.048	3.016	3.812	6.828	
Nonautomation 5-Digit Presort Machinable Letters					---
Automation 5-Digit Presort Letters	3.106	2.074	3.738	5.812	

(1) CRA Mail Processing Unit Costs:

Worksharing Proportional Cost Pools + Worksharing Fixed Cost Pools + Non-Worksharing Fixed Cost Pools

Model-Based Mail Processing Unit Costs:

(Model Cost * Worksharing Proportional Adjustment) + Worksharing Fixed Adjustment + Non-Worksharing Fixed Adjustment

(2) CRA Mail Processing Unit Costs:

Worksharing Proportional Cost Pools + Worksharing Fixed Cost Pools

Model-Based Mail Processing Unit Costs:

(Model Cost * Worksharing Proportional Adjustment) + Worksharing Fixed Adjustment

(3) USPS LR-J-117

(4) (2) + (3)

(5) Benchmark (4) - Rate Category (4)

STANDARD MAIL PRESORT LETTERS SUMMARY

	(1)	(2)	(3)	(4)
	MAIL PROC	MAIL PROC	DELIVERY	TOTAL
		WORK-	WORK-	WORK-
		SHARING	SHARING	SHARING
		RELATED	RELATED	RELATED
<u>RATE CATEGORY</u>	<u>TOTAL</u>	<u>UNIT COST</u>	<u>UNIT COST</u>	<u>UNIT COST</u>
	<u>UNIT COST</u>	<u>UNIT COST</u>	<u>UNIT COST</u>	<u>UNIT COST</u>
Nonautomation Presort Letters	12.351	8.589		12.958
Nonautomation Basic Presort Letters				
Nonautomation Nonmachinable Mixed ADC			5.592	
Nonautomation Nonmachinable ADC			5.592	
Nonautomation Machinable Mixed AADC				
Nonautomation Machinable AADC				
Nonautomation 3-Digit/5-Digit Presort Letters				
Nonautomation Nonmachinable 3-Digit			5.592	
Nonautomation Nonmachinable 5-Digit			5.592	
Nonautomation Machinable 3-Digit				
Nonautomation Machinable 5-Digit				
Automation Mixed AADC Presort Letters	5.044	4.012	3.887	7.899
Automation AADC Presort Letters	4.326	3.294	3.827	7.121
Automation 3-Digit Presort Letters	4.048	3.016	3.812	6.828
Automation 5-Digit Presort Letters	3.106	2.074	3.738	5.812

(1) CRA Mail Processing Unit Costs:

Worksharing Proportional Cost Pools + Worksharing Fixed Cost Pools + Non-Worksharing Fixed Cost Pools

Model-Based Mail Processing Unit Costs:

(Model Cost * Worksharing Proportional Adjustment) + Worksharing Fixed Adjustment + Non-Worksharing Fixed Adjustment

(2) CRA Mail Processing Unit Costs:

Worksharing Proportional Cost Pools + Worksharing Fixed Cost Pools

Model-Based Mail Processing Unit Costs:

(Model Cost * Worksharing Proportional Adjustment) + Worksharing Fixed Adjustment

(3) USPS LR-J-117

(4) (2) + (3)

STANDARD MAIL LETTERS MAIL PROCESSING UNIT COST SUMMARY NONAUTOMATION PRESORT

CRA LETTER MAIL PROCESSING UNIT COSTS

Modeled Worksharing Related (Proportional) Cost Pools	8.155	(1)
Other Worksharing Related (Fixed) Cost Pools	0.434	(2)
Non-Worksharing Related (Fixed) Cost Pools	3.762	(3)
Total	12.351	(4)

CRA PROPORTIONAL ADJUSTMENT FACTOR

	(5)	(6)	(7)
Base Model Costs	Model Cost	Mail Char Volume	Volume %
Nonautomation Nonmachinable Mixed ADC		123,393,082	2.13%
Nonautomation Nonmachinable ADC		144,744,579	2.50%
Nonautomation Machinable Mixed AADC		614,218,460	10.59%
Nonautomation Machinable AADC		440,045,541	7.59%
Nonautomation Nonmachinable 3-Digit		673,152,212	11.61%
Nonautomation Nonmachinable 5-Digit		878,642,015	15.15%
Nonautomation Machinable 3-Digit		1,417,277,984	24.44%
Nonautomation Machinable 5-Digit		1,507,175,626	25.99%
(8) Total Weighted Model Cost		5,798,649,600	100.00%

CRA Proportional Adjustment

(9)

ADJUSTED LETTER MAIL PROCESSING UNIT COSTS

Rate Category	(10) Model Unit Cost	(11) Worksharing Related Unit Cost	(12) Non Worksharing Unit Cost	(13) Total Mail Proc Unit Cost
Nonautomation Nonmachinable Mixed ADC			3.762	
Nonautomation Nonmachinable ADC			3.762	
Nonautomation Machinable Mixed AADC			3.762	
Nonautomation Machinable AADC		8.470	3.762	
Nonautomation Nonmachinable 3-Digit	10.821	15.727	3.762	
Nonautomation Nonmachinable 5-Digit		10.331	3.762	
Nonautomation Machinable 3-Digit		8.112	3.762	
Nonautomation Machinable 5-Digit		8.112	3.762	

- (1) Sum of modeled worksharing related cost pools in "CRA LETTERS" spreadsheet
(2) Sum of other worksharing related cost pools in "CRA LETTERS" spreadsheet
(3) Sum of non-worksharing related cost pools in "CRA LETTERS" spreadsheet
(4) (1) + (2) + (3)
(5) Model costs from respective rate category "COSTS" spreadsheets
(6) Volumes from "ENTRY PROFILE" spreadsheet
(7) Rate Category (6) / Total (6)
(8) Sum [(5) * (7)]
(9) (1) / (8)
(10) Model costs from respective rate category "COSTS" spreadsheets
(11) (9) * (10) + (2)
(12) (3)
(13) (11) + (12)

STANDARD MAIL LETTERS MAIL PROCESSING UNIT COST SUMMARY AUTOMATION NON-CARRIER ROUTE PRESORT

CRA LETTER MAIL PROCESSING UNIT COSTS

Modeled Worksharing Related (Proportional) Cost Pools	2.150	(1)
Other Worksharing Related (Fixed) Cost Pools	0.635	(2)
Non-Worksharing Related (Fixed) Cost Pools	1.033	(3)
Total	3.817	(4)

CRA PROPORTIONAL ADJUSTMENT FACTOR

	(5)	(6)	(7)
Base Model Costs	Model Cost	Base Year Volume	Base Year Volume %
Automation Mixed AADC	4.173	2,354,963,527	7.35%
Automation AADC	3.286	2,875,476,520	8.97%
Automation 3-Digit	2.942	15,600,801,986	48.67%
Automation 5-Digit	1.778	11,222,413,732	35.01%
(8) Total Weighted Model Cost	2.656	32,053,655,765	100.00%
CRA Proportional Adjustment		0.809	(9)

ADJUSTED LETTER MAIL PROCESSING UNIT COSTS

	(10)	(11)	(12)	(13)
<u>Rate Category</u>	<u>Model Unit Cost</u>	<u>Worksharing Related Unit Cost</u>	<u>Non Worksharing Unit Cost</u>	<u>Total Mail Proc Unit Cost</u>
Automation Mixed AADC	4.173	4.012	1.033	5.044
Automation AADC	3.286	3.294	1.033	4.326
Automation 3-Digit	2.942	3.016	1.033	4.048
Automation 5-Digit	1.778	2.074	1.033	3.106

- (1) Sum of modeled worksharing related cost pools in "CRA LETTERS" spreadsheet
(2) Sum of other worksharing related cost pools in "CRA LETTERS" spreadsheet
(3) Sum of non-worksharing related cost pools in "CRA LETTERS" spreadsheet
(4) (1) + (2) + (3)
(5) Model costs from respective rate category "COSTS" spreadsheets
(6) USPS LR-J-98
(7) Rate Category (6) / Total (6)
(8) Sum [(5) * (7)]
(9) (1) / (8)
(10) Model costs from respective rate category "COSTS" spreadsheets
(11) (9) * (10) + (2)
(12) (3)
(13) (11) + (12)

STANDARD MAIL NONMACHINABLE SURCHARGE COST SUMMARY

<u>MAIL TYPE</u>	<u>UNIT COST</u>
Nonautomation Nonmachinable All Presort Levels	(1)
Nonautomation Machinable All Presort Levels	(2)
	(3)
Nonautomation Nonmachinable Basic	(4)
Nonautomation Machinable Basic	(5)
	(6)
Nonautomation Nonmachinable Mixed ADC	(7)
Nonautomation Machinable Mixed AADC	(8)
	(9)
Nonautomation Nonmachinable ADC	(7)
Nonautomation Machinable AADC	(8)
	(9)
Nonautomation Nonmachinable 3-/5-Digit	(10)
Nonautomation Machinable 3-/5-Digit	(11)
	(12)
Nonautomation Nonmachinable 3-Digit	(7)
Nonautomation Machinable 3-Digit	(8)
	(9)
Nonautomation Nonmachinable 5-Digit	(7)
Nonautomation Machinable 5-Digit	(8)
	(9)
(1) SUM (Page 56 Nonmachinable Total Worksharing Related Costs * Page 57 Volume %)	
(2) SUM (Page 56 Machinable Total Worksharing Related Costs * Page 57 Volume %)	
(3) (1) - (2)	
(4) SUM (Page 56 Nonmachinable Total Worksharing Related Costs MADC, ADC * Page 57 Volume %)	
(5) SUM (Page 56 Machinable Total Worksharing Related Costs MADC, ADC * Page 57 Volume %)	
(6) (4) - (5)	
(7) Page 56 Nonmachinable Total Worksharing Related Costs	
(8) Page 56 Machinable Total Worksharing Related Costs	
(9) (7) - (8)	
(10) SUM (Page 56 Nonmachinable Total Worksharing Related Costs 3-Digit, 5-Digit * Page 57 Volume %)	
(11) SUM (Page 56 Machinable Total Worksharing Related Costs 3-Digit, 5-Digit * Page 57 Volume %)	
(12) (4) - (5)	

CRA STANDARD MAIL LETTERS MAIL PROCESSING UNIT COSTS
Source: USPS LR-J-63

			NON AUTO				AUTO NON CARRIER ROUTE						
Cost Pool No.	Source	Cost Pool Abbreviation	WRP MP Unit Costs	WRF MP Unit Costs	NWRF MP Unit Costs	CRA MP Unit Costs	WRP MP Unit Costs	WRF MP Unit Costs	NWRF MP Unit Costs	CRA MP Unit Costs	WRP MP Unit Costs	WRF MP Unit Costs	NWRF MP Unit Costs
1	BMCS	NMO			X	0.019			0.019	0.013			0.013
2	BMCS	OTHR			X	0.357			0.357	0.107			0.107
3	BMCS	PLA			X	0.272			0.272	0.086			0.086
4	BMCS	PSM			X	0.004			0.004	0.002			0.002
5	BMCS	SPB	X(NA)	X(A)		0.086	0.096			0.014		0.014	
6	BMCS	SSM			X	0.080			0.080	0.052			0.052
7	MODS 11	BCS/	X			0.329	0.329			0.225	0.225		
8	MODS 11	BCS/DBCS	X			1.029	1.029			0.894	0.894		
9	MODS 11	OCR/	X			0.620	0.620			0.123	0.123		
10	MODS 12	FSM/			X	0.040			0.040	0.015			0.015
11	MODS 12	FSM/1000			X	0.025			0.025	0.003			0.003
12	MODS 12	LSM/	X			0.002	0.002			0.000	0.000		
13	MODS 13	MECPARC			X	0.001			0.001	0.000			0.000
14	MODS 13	SPBS OTH	X(NA)	X(A)		0.191	0.191			0.022		0.022	
15	MODS 13	SPBSPRIO			X	0.004			0.004	0.001			0.001
16	MODS 13	1SACKS_M			X	0.071			0.071	0.021			0.021
17	MODS 14	MANF			X	0.017			0.017	0.004			0.004
18	MODS 14	MANL	X			1.636	1.636			0.239	0.239		
19	MODS 14	MANP			X	0.007			0.007	0.003			0.003
20	MODS 14	PRIORITY			X	0.001			0.001	0.000			0.000
21	MODS 15	LD15	X			0.100	0.100			0.031	0.031		
22	MODS 17	1BULK PR		X		0.018		0.018		0.006		0.006	
23	MODS 17	1CANCMPP			X	0.150			0.150	0.023			0.023
24	MODS 17	1OPBULK	X(NA)	X(A)		0.510	0.510			0.186		0.186	
25	MODS 17	1OPREF	X(NA)	X(A)		0.612	0.612			0.217		0.217	
26	MODS 17	1PLATFRM			X	1.097			1.097	0.339			0.339
27	MODS 17	1POUCHNG	X(NA)	X(A)		0.437	0.437			0.132		0.132	
28	MODS 17	1SACKS_H			X	0.144			0.144	0.051			0.051
29	MODS 17	1SCAN			X	0.039			0.039	0.011			0.011
30	MODS 18	BUSREPLY			X	0.008			0.008	0.000			0.000
31	MODS 18	EXPRESS			X	0.000			0.000	0.000			0.000
32	MODS 18	MAILGRAM			X	0.000			0.000	0.000			0.000
33	MODS 18	REGISTRY			X	0.000			0.000	0.001			0.001
34	MODS 18	REWRAP			X	0.005			0.005	0.001			0.001
35	MODS 18	1EEQMT			X	0.051			0.051	0.017			0.017
36	MODS 19	INTL			X	0.000			0.000	0.000			0.000
37	MODS 41	LD41	X			0.029	0.029			0.032	0.032		
38	MODS 42	LD42	X			0.001	0.001			0.001	0.001		
39	MODS 43	LD43	X			0.516	0.516			0.100	0.100		
40	MODS 44	LD44	X			0.095	0.095			0.030	0.030		
41	MODS 48	LD48 EXP			X	0.000			0.000	0.000			0.000
42	MODS 48	LD48_SSV			X	0.025			0.025	0.006			0.006
43	MODS 49	LD49		X		0.114			0.114	0.027		0.027	
44	MODS 79	LD79		X		0.302		0.302		0.030		0.030	
45	MODS 99	1SUPP_F1			X	0.137			0.137	0.045			0.045
46	MODS 99	1SUPP_F4			X	0.127			0.127	0.034			0.034
47	NON MODS	ALLIED			X	0.832			0.832	0.153			0.153
48	NON MODS	AUTO/MEC	X			0.286	0.286			0.183	0.183		
49	NON MODS	EXPRESS			X	0.000			0.000	0.000			0.000
50	NON MODS	MANF			X	0.023			0.023	0.003			0.003
51	NON MODS	MANL	X			1.668	1.668			0.292	0.292		
52	NON MODS	MANP			X	0.007			0.007	0.002			0.002
53	NON MODS	MISC			X	0.219			0.219	0.039			0.039
54	NON MODS	REGISTRY			X	0.001			0.001	0.000			0.000
						12.351	8.155	0.434	3.762	3.817	2.150	0.635	1.033
						66.03%	3.51%	30.46%		56.32%	16.63%	27.05%	

STANDARD MAIL NONAUTO MACHINABLE MIXED AADC / AADC PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Entry Activities	TPH	Pieces	Wage	Direct	Piggyback	Premium	Premium	Total	Weighted
Package Sorting	10,000	Per Hour	Rate	Cents	Factor	Pay	Pay	Cents	Cents
				Per Piece		Factor	Adjust	Per Piece	Per Piece
								0.000	0.000
Outgoing RBCS									
ISS/RCR		8,142	\$30.840	0.379	2.213	0.970	-0.011	0.827	
REC		698	\$20.409	2.924	1.459	0.970	-0.087	4.179	
OSS		10,240	\$30.840	0.301	1.885	0.970	-0.009	0.559	
LMLM		3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	
Outgoing Primary									
Automation		6,559	\$30.840	0.470	1.937	0.970	-0.014	0.897	
Manual		802	\$30.840	3.847	1.365	0.970	-0.114	5.137	
Outgoing Secondary									
Automation		9,312	\$30.840	0.331	1.928	0.970	-0.010	0.629	
Manual		814	\$30.840	3.790	1.365	0.970	-0.112	5.061	
Incoming RBCS									
ISS	0	4,681	\$30.840	0.659	2.213	0.970	-0.020	1.439	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	9,225	\$30.840	0.334	1.819	0.970	-0.010	0.598	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
Incoming MMP									
Automation AADC		6,159	\$30.840	0.501	1.917	0.970	-0.015	0.945	
Manual ADC		900	\$30.840	3.427	1.406	0.970	-0.101	4.716	
Incoming SCF/Primary									
Automation		6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	
Manual		934	\$30.840	3.300	1.365	0.970	-0.088	4.407	
5-Digit Barcode Sort		6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	
Incoming Secondaries									
Auto Carrier Route		5,814	\$30.840	0.549	1.897	0.970	-0.016	1.026	
Auto 3-Pass DPS		32,363	\$30.840	0.095	1.953	0.970	-0.003	0.183	
Auto 2-Pass DPS		10,145	\$30.840	0.304	1.943	0.970	-0.009	0.582	
Man Inc Sec Final At Plant		807	\$30.840	3.822	1.365	0.970	-0.113	5.104	
Man Inc Sec Final At DU		1,216	\$30.840	2.536	1.365	0.970	-0.075	3.387	
Box Section Sort, DPS		2,464	\$30.840	1.252	1.406	0.970	-0.037	1.723	
Box Section Sort, Other		1,233	\$30.840	2.502	1.406	0.970	-0.074	3.444	

(10)
MODEL COST = 4.192

(11)
DPS % = 74.13%

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) $[(3) * (100 \text{ cents/dollar})] / (2)$
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

- (7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8) / 10,000 \text{ Pieces}$
(10) Sum (9)
(11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

STANDARD MAIL NONAUTO MACHINABLE 3-DIGIT / 5-DIGIT PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Entry Activities</u>	<u>TPH</u>	<u>Pieces</u>	<u>Wage</u>	<u>Direct</u>	<u>Piggyback</u>	<u>Premium</u>	<u>Premium</u>	<u>Total</u>	<u>Weighted</u>
Package Sorting	10,000	---	---	---	---	---	---	0.000	0.000
<u>Outgoing RBCS</u>									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	0.970	-0.011	0.827	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	10,240	\$30.840	0.301	1.885	0.970	-0.009	0.559	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
<u>Outgoing Primary</u>									
Automation	0	6,559	\$30.840	0.470	1.937	0.970	-0.014	0.897	0.000
Manual	0	802	\$30.840	3.847	1.365	0.970	-0.114	5.137	0.000
<u>Outgoing Secondary</u>									
Automation	0	9,312	\$30.840	0.331	1.928	0.970	-0.010	0.629	0.000
Manual	0	814	\$30.840	3.790	1.365	0.970	-0.112	5.061	0.000
<u>Incoming RBCS</u>									
ISS		4,881	\$30.840	0.659	2.213	0.970	-0.020	1.438	
REC		698	\$20.409	2.924	1.459	0.970	-0.087	4.179	
OSS		9,225	\$30.840	0.334	1.819	0.970	-0.010	0.598	
LMLM		3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	
<u>Incoming MMP</u>									
Automation AADC		6,159	\$30.840	0.501	1.917	0.970	-0.015	0.945	
Manual ADC		900	\$30.840	3.427	1.406	0.970	-0.101	4.716	
<u>Incoming SCF/Primary</u>									
Automation		6,658	\$30.840	0.463	1.887	0.970	-0.014	0.880	
Manual		934	\$30.840	3.300	1.365	0.970	-0.098	4.407	
<u>5-Digit Barcode Sort</u>		6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	
<u>Incoming Secondaries</u>									
Auto Carrier Route		5,614	\$30.840	0.549	1.897	0.970	-0.016	1.026	
Auto 3-Pass DPS		32,363	\$30.840	0.095	1.953	0.970	-0.003	0.183	
Auto 2-Pass DPS		10,145	\$30.840	0.304	1.943	0.970	-0.009	0.582	
Man Inc Sec Final At Plant		807	\$30.840	3.822	1.365	0.970	-0.113	5.104	
Man Inc Sec Final At DU		1,216	\$30.840	2.536	1.365	0.970	-0.075	3.387	
Box Section Sort, DPS		2,464	\$30.840	1.252	1.406	0.970	-0.037	1.723	
Box Section Sort, Other		1,233	\$30.840	2.502	1.406	0.970	-0.074	3.444	

(10)
MODEL COST = 3.943

(11)
DPS % = 87.7%

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) $[(3) * (100 \text{ cents/dollar})] / (2)$
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

- (7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8) / 10,000 \text{ Pieces}$
(10) Sum (9)
(11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

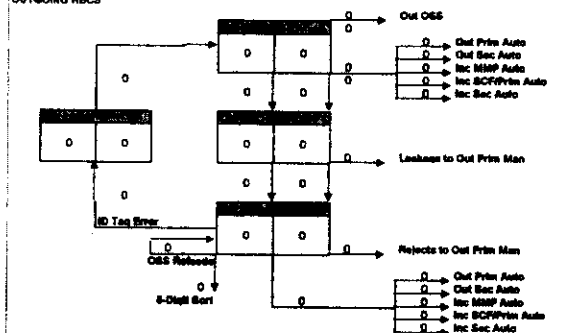
STANDARD MAIL NONAUTO MACHINABLE 3-DIGIT / 5-DIGIT PRESORT LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

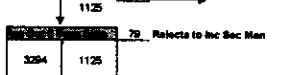
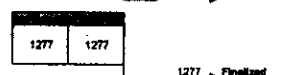
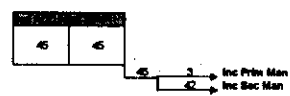
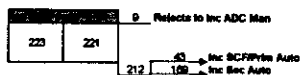
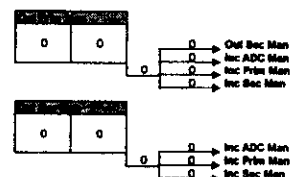
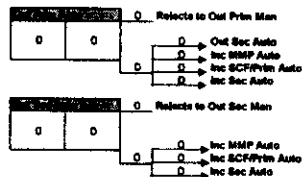
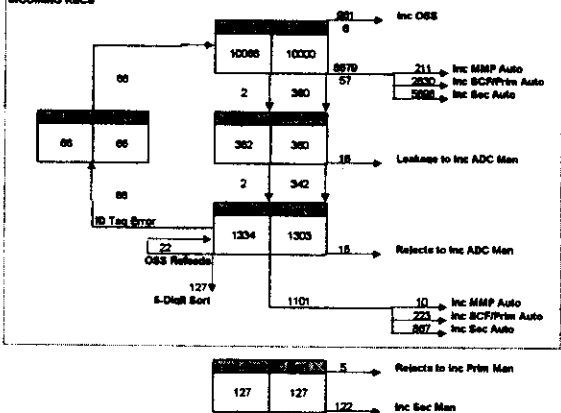
ENTRY POINTS:

Out SS/R/C/R	0	Inc SS/R/C/R	10000
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCF/Prim Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCF/Prim Man	0
		Inc Sec Man	0

OUTGOING RBCS



INCOMING RBcs



STANDARD MAIL NONAUTO NONMACHINABLE MADC PRESORT LETTERS

COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Pay Adjust	Total Cents Per Piece	Weighted Cents Per Piece
Entry Activities	10,000	—	—	—	—	—	—		
Package Sorting									
Outgoing RBCS									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	0.970	-0.011	0.827	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	10,240	\$30.840	0.301	1.885	0.970	-0.009	0.559	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
Outgoing Primary									
Automation	0	6,559	\$30.840	0.470	1.937	0.970	-0.014	0.897	0.000
Manual	0	802	\$30.840	3.847	1.365	0.970	-0.114	5.137	0.000
Outgoing Secondary									
Automation	0	9,312	\$30.840	0.331	1.928	0.970	-0.010	0.629	0.000
Manual	10,000	814	\$30.840	3.790	1.365	0.970	-0.112	5.061	5.061
Incoming RBCS									
ISS	0	4,681	\$30.840	0.659	2.213	0.970	-0.020	1.439	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	9,225	\$30.840	0.334	1.819	0.970	-0.010	0.598	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
Incoming MMP									
Automation AADC	0	6,159	\$30.840	0.501	1.917	0.970	-0.015	0.945	0.000
Manual ADC	9,494	900	\$30.840	3.427	1.406	0.970	-0.101	4.716	4.478
Incoming SCF/Primary									
Automation	0	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.000
Manual	1,092	934	\$30.840	3.300	1.365	0.970	-0.098	4.407	0.481
5-Digit Barcode Sort	0	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.000
Incoming Secondaries									
Auto Carrier Route	0	5,614	\$30.840	0.549	1.897	0.970	-0.016	1.026	0.000
Auto 3-Pass DPS	0	32,363	\$30.840	0.095	1.953	0.970	-0.003	0.183	0.000
Auto 2-Pass DPS	0	10,145	\$30.840	0.304	1.943	0.970	-0.009	0.582	0.000
Man Inc Sec Final At Plant	7,381	807	\$30.840	3.822	1.365	0.970	-0.113	5.104	3.767
Man Inc Sec Final At DU	2,619	1,216	\$30.840	2.536	1.365	0.970	-0.075	3.387	0.887
Box Section Sort, DPS	0	2,464	\$30.840	1.252	1.406	0.970	-0.037	1.723	0.000
Box Section Sort, Other	890	1,233	\$30.840	2.502	1.406	0.970	-0.074	3.444	0.306

(10)
MODEL COST = 0.00%

(11)
DPS % = 0.00%

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) $[(3) * (100 \text{ cents/dollar})] / (2)$
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

- (7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8) / 10,000 \text{ Pieces}$
(10) Sum (9)
(11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

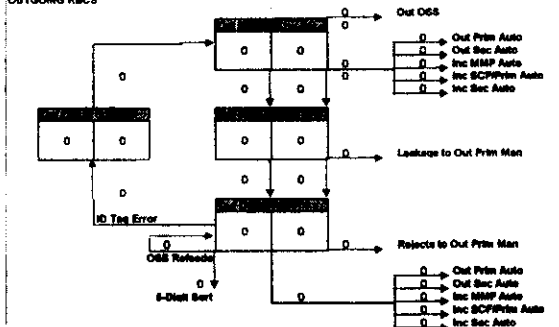
STANDARD MAIL NONAUTO NONMACHINABLE MADC PRESORT LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

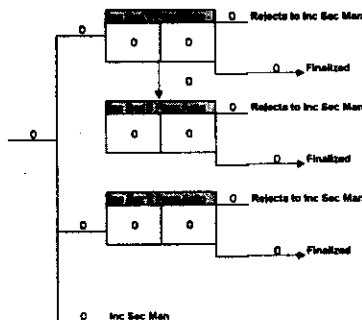
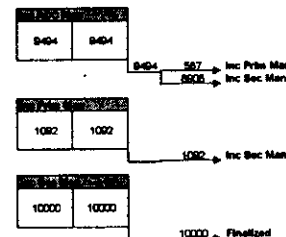
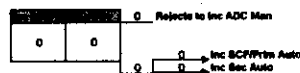
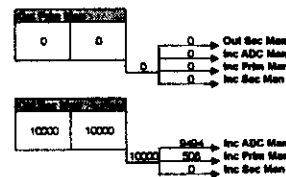
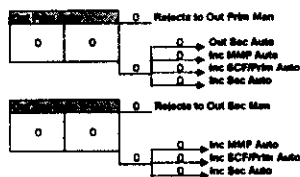
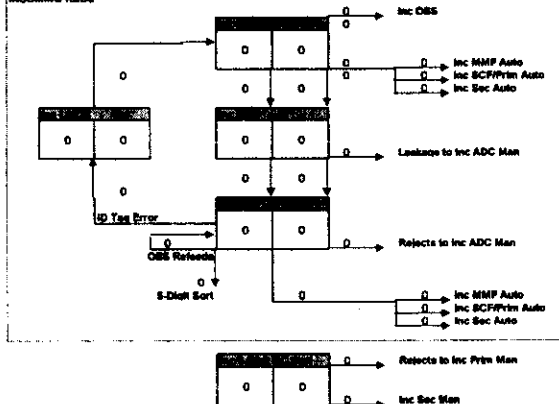
ENTRY POINTS:

Out ISS/RCR	0	Inc ISS/RCR	0
Out Prin Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCF/Prin Auto	0
Out Prin Man	0	Inc Sec Auto	0
Out Sec Man	10000	Inc ADC Man	0
		Inc SCF/Prin Man	0
		Inc Sec Man	0

OUTGOING RBCE



INCOMING RBCE



STANDARD MAIL NONAUTO NONMACHINABLE ADC PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Entry Activities	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Pay Adjust	Total Cents Per Piece	Weighted Cents Per Piece
Package Sorting	10,000	—	—	—	—	—	—	—	—
Outgoing RBCS									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	0.970	-0.011	0.827	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	10,240	\$30.840	0.301	1.885	0.970	-0.009	0.559	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
Outgoing Primary									
Automation	0	6,559	\$30.840	0.470	1.937	0.970	-0.014	0.897	0.000
Manual	0	802	\$30.840	3.847	1.365	0.970	-0.114	5.137	0.000
Outgoing Secondary									
Automation	0	9,312	\$30.840	0.331	1.928	0.970	-0.010	0.629	0.000
Manual	0	814	\$30.840	3.790	1.365	0.970	-0.112	5.081	0.000
Incoming RBCS									
ISS	0	4,681	\$30.840	0.659	2.213	0.970	-0.020	1.439	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	9,225	\$30.840	0.334	1.819	0.970	-0.010	0.598	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
Incoming MMP									
Automation AADC	0	6,159	\$30.840	0.501	1.917	0.970	-0.015	0.945	0.000
Manual ADC	10,000	900	\$30.840	3.427	1.406	0.970	-0.101	4.716	4.716
Incoming SCF/Primary									
Automation	0	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.000
Manual	618	934	\$30.840	3.300	1.365	0.970	-0.098	4.407	0.272
5-Digit Barcode Sort									
	0	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.000
Incoming Secondaries									
Auto Carrier Route	0	5,614	\$30.840	0.549	1.897	0.970	-0.016	1.026	0.000
Auto 3-Pass DPS	0	32,363	\$30.840	0.095	1.953	0.970	-0.003	0.183	0.000
Auto 2-Pass DPS	0	10,145	\$30.840	0.304	1.943	0.970	-0.009	0.582	0.000
Man Inc Sec Final At Plant	7,381	807	\$30.840	3.822	1.365	0.970	-0.113	5.104	3.767
Man Inc Sec Final At DU	2,619	1,216	\$30.840	2.536	1.365	0.970	-0.075	3.387	0.887
Box Section Sort, DPS	0	2,464	\$30.840	1.252	1.406	0.970	-0.037	1.723	0.000
Box Section Sort, Other	890	1,233	\$30.840	2.502	1.406	0.970	-0.074	3.444	0.306

(10)
MODEL COST = 0.000

(11)
DPS % = 0.00%

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) $[(3) * (100 \text{ cents/dollar})] / (2)$
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

- (7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8) / 10,000 \text{ Pieces}$
(10) Sum (8)
(11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

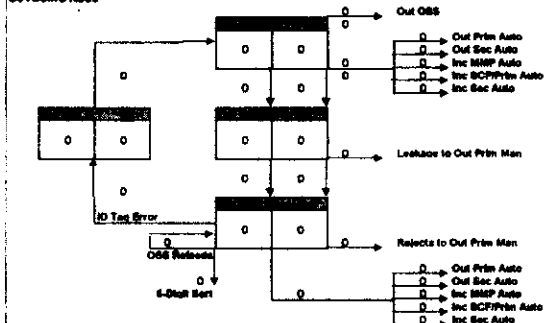
STANDARD MAIL NONAUTO NONMACHINABLE ADC PRESORT LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

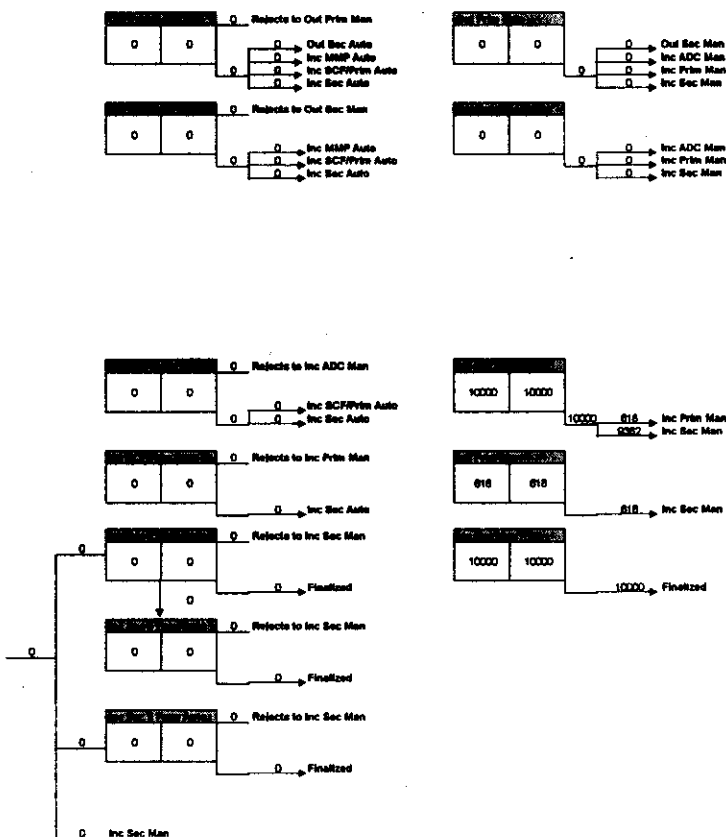
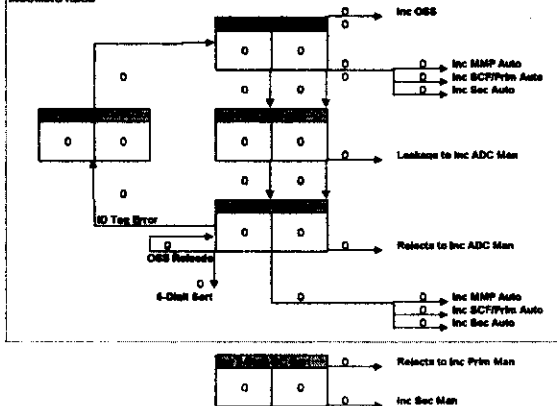
ENTRY POINTS:

Out BSMACK	0	Inc BSMACK	0
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCFPrm Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	10000
		Inc SCFPrm Man	0
		Inc Sec Man	0

OUTGOING RBCS



INCOMING RBcs



STANDARD MAIL NONAUTO NONMACHINABLE 3-DIGIT PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Pay Adjust	Total Cents Per Piece	Weighted Cents Per Piece
Entry Activities									
Package Sorting	10,000	---	---	---	---	---	---		
Outgoing RBCS									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	0.970	-0.011	0.827	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	10,240	\$30.840	0.301	1.885	0.970	-0.009	0.559	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
Outgoing Primary									
Automation	0	6,559	\$30.840	0.470	1.937	0.970	-0.014	0.897	0.000
Manual	0	802	\$30.840	3.847	1.365	0.970	-0.114	5.137	0.000
Outgoing Secondary									
Automation	0	9,312	\$30.840	0.331	1.928	0.970	-0.010	0.629	0.000
Manual	0	814	\$30.840	3.790	1.365	0.970	-0.112	5.061	0.000
Incoming RBCS									
ISS	0	4,681	\$30.840	0.659	2.213	0.970	-0.020	1.439	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	9,225	\$30.840	0.334	1.819	0.970	-0.010	0.598	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
Incoming MMP									
Automation AADC	0	6,159	\$30.840	0.501	1.917	0.970	-0.015	0.945	0.000
Manual ADC	0	900	\$30.840	3.427	1.406	0.970	-0.101	4.716	0.000
Incoming SCF/Primary									
Automation	0	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.000
Manual	10,000	934	\$30.840	3.300	1.365	0.970	-0.098	4.407	4.407
5-Digit Barcode Sort	0	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.000
Incoming Secondaries									
Auto Carrier Route	0	5,614	\$30.840	0.549	1.897	0.970	-0.016	1.026	0.000
Auto 3-Pass DPS	0	32,363	\$30.840	0.095	1.953	0.970	-0.003	0.183	0.000
Auto 2-Pass DPS	0	10,145	\$30.840	0.304	1.943	0.970	-0.009	0.582	0.000
Man Inc Sec Final At Plant	7,381	807	\$30.840	3.822	1.365	0.970	-0.113	5.104	3.767
Man Inc Sec Final At DU	2,619	1,216	\$30.840	2.536	1.365	0.970	-0.075	3.387	0.887
Box Section Sort, DPS	0	2,464	\$30.840	1.252	1.406	0.970	-0.037	1.723	0.000
Box Section Sort, Other	890	1,233	\$30.840	2.502	1.406	0.970	-0.074	3.444	0.306

(10)
MODEL COST = 0.0000

(11)
DPS % = 0.00%

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) [(3) * (100 cents/dollar)] / (2)
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

- (7) [(6) - 1] * (4)
(8) (4) * (5) + (7)
(9) (1) * (8) / 10,000 Pieces
(10) Sum (9)
(11) (Pieces Finalized in DPS Operations) /
(10,000 Pieces)

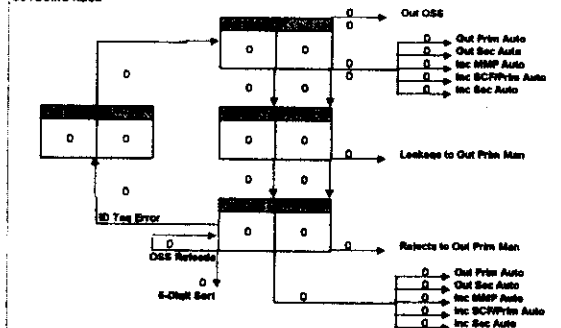
STANDARD MAIL NONAUTO NONMACHINABLE 3-DIGIT PRESORT LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

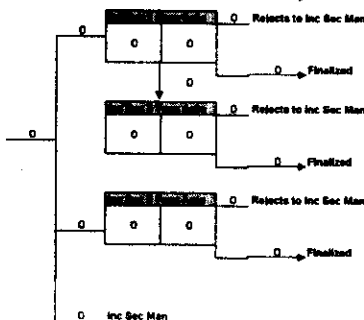
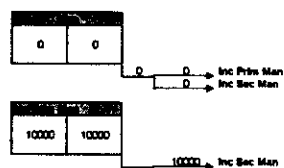
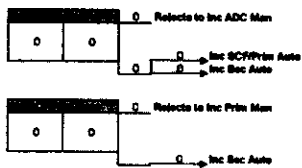
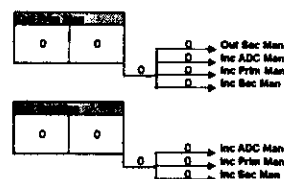
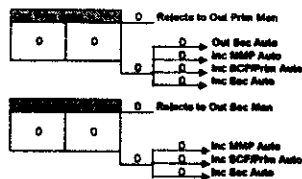
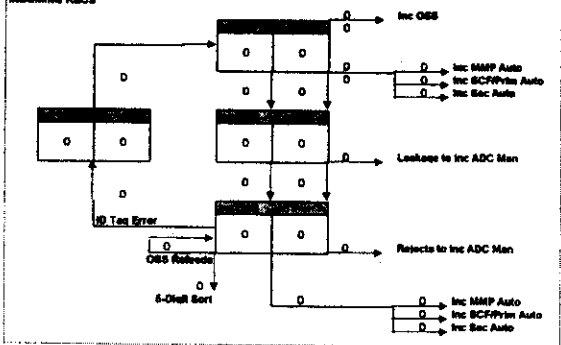
ENTRY POINTS:

Out RSR/CR	0	Inc RSR/CR	0
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCF/Prim Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCF/Prim Man	10000
		Inc Sec Man	0

OUTGOING RBCE



INCOMING RBCE



STANDARD MAIL NONAUTO NONMACHINABLE 5-DIGIT PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Pay Adjust	Total Cents Per Piece	Weighted Cents Per Piece
Entry Activities	10,000	—	—	—	—	—	—	—	—
Package Sorting	10,000	—	—	—	—	—	—	—	—
Outgoing RBCS									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	0.970	-0.011	0.827	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	10,240	\$30.840	0.301	1.885	0.970	-0.009	0.559	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
Outgoing Primary									
Automation	0	6,559	\$30.840	0.470	1.937	0.970	-0.014	0.897	0.000
Manual	0	802	\$30.840	3.847	1.365	0.970	-0.114	5.137	0.000
Outgoing Secondary									
Automation	0	9,312	\$30.840	0.331	1.928	0.970	-0.010	0.629	0.000
Manual	0	814	\$30.840	3.790	1.365	0.970	-0.112	5.061	0.000
Incoming RBCS									
ISS	0	4,681	\$30.840	0.659	2.213	0.970	-0.020	1.439	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	9,225	\$30.840	0.334	1.819	0.970	-0.010	0.598	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
Incoming MMP									
Automation AADC	0	6,159	\$30.840	0.501	1.917	0.970	-0.015	0.945	0.000
Manual ADC	0	900	\$30.840	3.427	1.406	0.970	-0.101	4.716	0.000
Incoming SCF/Primary									
Automation	0	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.000
Manual	0	934	\$30.840	3.300	1.365	0.970	-0.098	4.407	0.000
5-Digit Barcode Sort	0	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.000
Incoming Secondaries									
Auto Carrier Route	0	5,614	\$30.840	0.548	1.897	0.970	-0.016	1.026	0.000
Auto 3-Pass DPS	0	32,363	\$30.840	0.095	1.953	0.970	-0.003	0.183	0.000
Auto 2-Pass DPS	0	10,145	\$30.840	0.304	1.943	0.970	-0.009	0.582	0.000
Man Inc Sec Final At Plant	7,381	807	\$30.840	3.822	1.365	0.970	-0.113	5.104	3.767
Man Inc Sec Final At DU	2,619	1,216	\$30.840	2.536	1.365	0.970	-0.075	3.387	0.887
Box Section Sort, DPS	0	2,464	\$30.840	1.252	1.406	0.970	-0.037	1.723	0.000
Box Section Sort, Other	890	1,233	\$30.840	2.502	1.406	0.970	-0.074	3.444	0.306

(10)
MODEL COST = 3.675

(11)
DPS % = 0.00%

- (1) Values From "MODEL" Spreadsheet
(2) Values From "PRODUCTIVITY" Spreadsheet
(3) Values From "WAGE" Spreadsheet
(4) [(3) * (100 cents/dollar)] / (2)
(5) Values From "PIGGYBACK" Spreadsheet
(6) Values From "WAGE" Spreadsheet

- (7) [(6) - 1] * (4)
(8) (4) * (5) + (7)
(9) (1) * (8) / 10,000 Pieces
(10) Sum (9)
(11) (Pieces Finalized in DPS Operations) /
(10,000 Pieces)

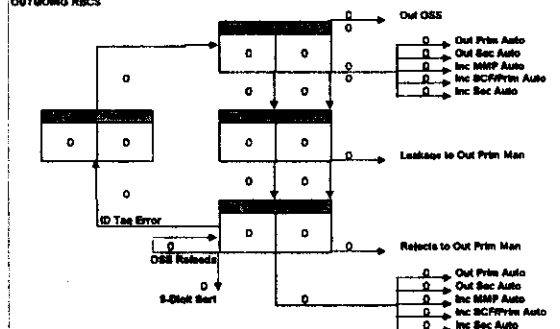
STANDARD MAIL NONAUTO NONMACHINABLE 5-DIGIT PRESORT LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

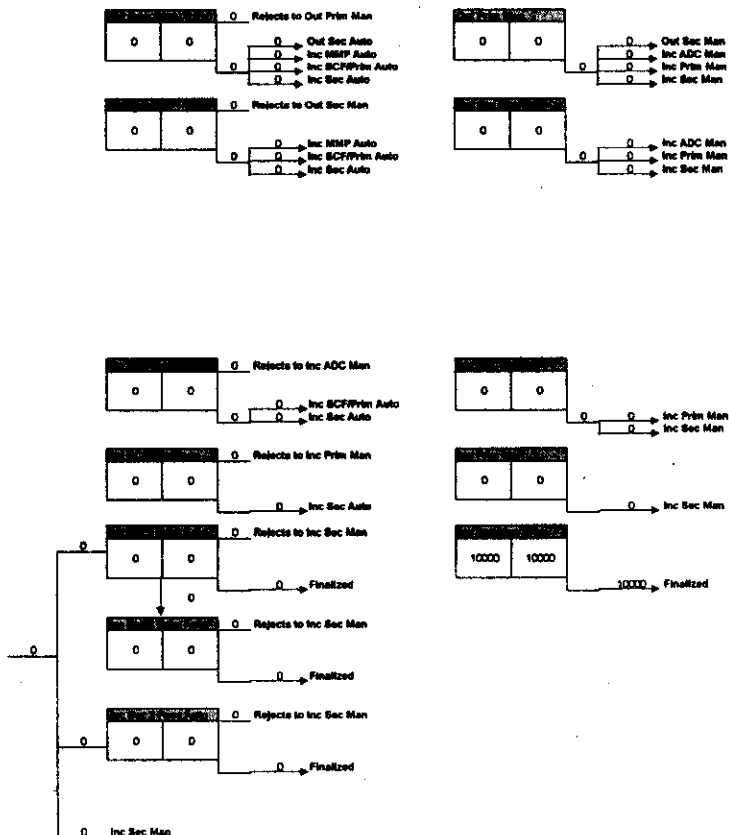
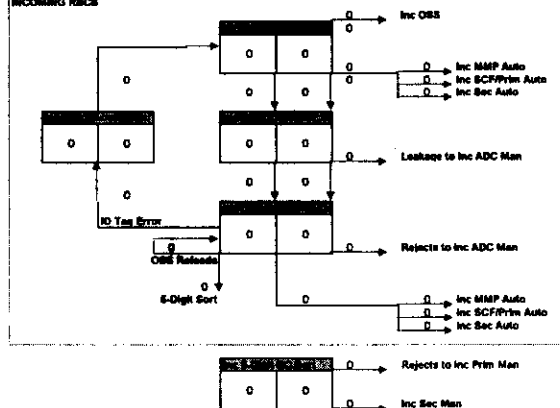
ENTRY POINTS:

Out REARDC	0	Inc REARDC	0
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCFPrim Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCFPrim Man	0
		Inc Sec Man	10000

OUTGOING RBCS



INCOMING RBcs



**STANDARD MAIL AUTO MIXED MIX AADC PRESORT LETTERS
COST SHEET**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Entry Activities</u>	<u>TPH</u>	<u>Pieces Per Hour</u>	<u>Wage Rate</u>	<u>Direct Cents Per Piece</u>	<u>Piggyback Factor</u>	<u>Premium Pay Factor</u>	<u>Premium Pay Adjust</u>	<u>Total Cents Per Piece</u>	<u>Weighted Cents Per Piece</u>
Package Sorting	10,000	--	--	--	--	--	--	0.000	0.000
<u>Outgoing RBCS</u>									
ISS/RCR	0	8,142	\$30.840	0.378	2.213	0.970	-0.011	0.827	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	10,240	\$30.840	0.301	1.885	0.970	-0.009	0.559	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
<u>Outgoing Primary</u>									
Automation	0	6,559	\$30.840	0.470	1.937	0.970	-0.014	0.897	0.000
Manual	0	802	\$30.840	3.847	1.365	0.970	-0.114	5.137	0.000
<u>Outgoing Secondary</u>									
Automation	10,308	9,312	\$30.840	0.331	1.928	0.970	-0.010	0.629	0.648
Manual	400	814	\$30.840	3.790	1.365	0.970	-0.112	5.061	0.202
<u>Incoming RBCS</u>									
ISS	0	4,681	\$30.840	0.659	2.213	0.970	-0.020	1.439	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	9,225	\$30.840	0.334	1.819	0.970	-0.010	0.598	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
<u>Incoming MMP</u>									
Automation AADC	4,559	6,159	\$30.840	0.501	1.917	0.970	-0.015	0.945	0.431
Manual ADC	561	900	\$30.840	3.427	1.406	0.970	-0.101	4.716	0.264
<u>Incoming SCF/Primary</u>									
Automation	5,496	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.473
Manual	275	934	\$30.840	3.300	1.365	0.970	-0.098	4.407	0.121
<u>5-Digit Barcode Sort</u>	0	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.000
<u>Incoming Secondaries</u>									
Auto Carrier Route	2,047	5,614	\$30.840	0.549	1.897	0.970	-0.016	1.026	0.210
Auto 3-Pass DPS	3,122	32,363	\$30.840	0.095	1.953	0.970	-0.003	0.183	0.057
Auto 2-Pass DPS	13,184	10,145	\$30.840	0.304	1.943	0.970	-0.009	0.582	0.767
Man Inc Sec Final At Plant	1,278	807	\$30.840	3.822	1.365	0.970	-0.113	5.104	0.652
Man Inc Sec Final At DU	453	1,216	\$30.840	2.536	1.365	0.970	-0.075	3.387	0.154
Box Section Sort, DPS	656	2,464	\$30.840	1.252	1.406	0.970	-0.037	1.723	0.113
Box Section Sort, Other	234	1,233	\$30.840	2.502	1.406	0.970	-0.074	3.444	0.080

(10)
MODEL COST = **4.173**

(11)
DPS % = **73.76%**

- (1) Values From "MODEL" Spreadsheet
 (2) Values From "PRODUCTIVITY" Spreadsheet
 (3) Values From "WAGE" Spreadsheet
 (4) $[(3) * (100 \text{ cents/dollar})] / (2)$
 (5) Values From "PIGGYBACK" Spreadsheet
 (6) Values From "WAGE" Spreadsheet

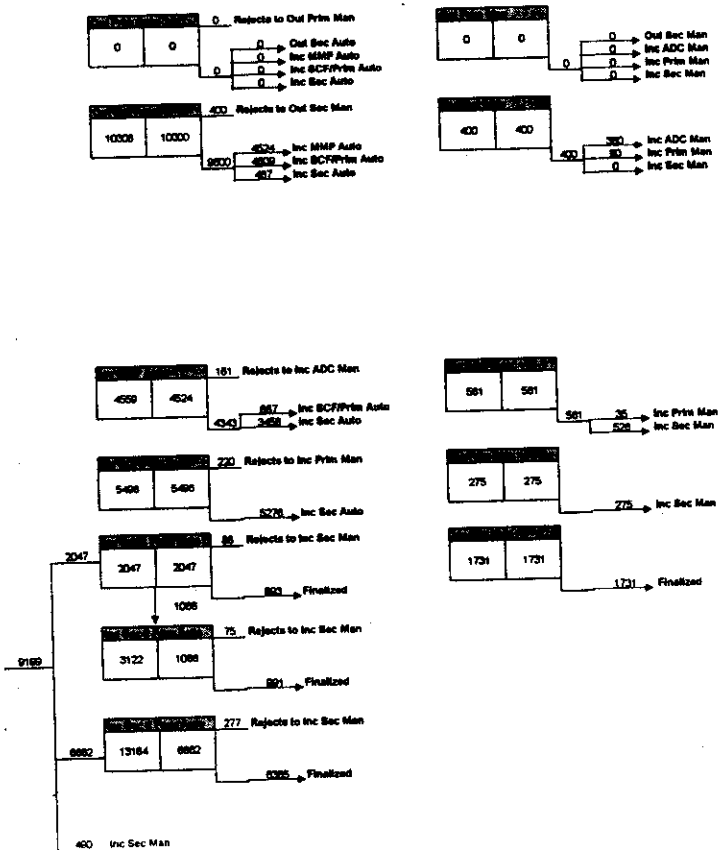
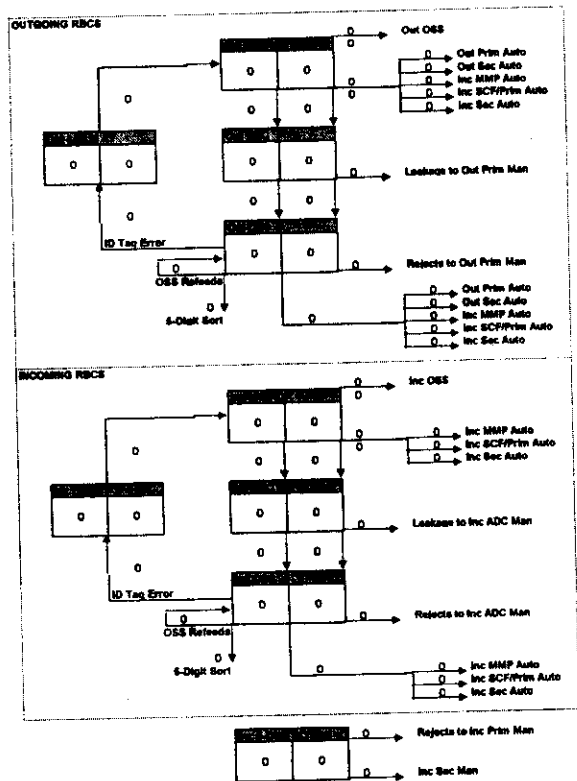
- (7) $[(6) - 1] * (4)$
 (8) $(4) * (5) + (7)$
 (9) $(1) * (8) / 10,000 \text{ Pieces}$
 (10) Sum (9)
 (11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

STANDARD MAIL AUTO MIXED MIX AADC PRESORT LETTERS
MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

ENTRY POINTS:			
Out IBS/RCR	0	Inc IBS/RCR	0
Out Prim Auto	0	Inc MMF Auto	0
Out Sec Auto	10000	Inc SCF/Prim Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCF/Prim Man	0
		Inc Sec Man	0



STANDARD MAIL AUTO AADC PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Entry Activities</u>	<u>TPH</u>	<u>Pieces Per Hour</u>	<u>Wage Rate</u>	<u>Direct Cents Per Piece</u>	<u>Piggyback Factor</u>	<u>Premium Pay Factor</u>	<u>Premium Pay Adjust</u>	<u>Total Cents Per Piece</u>	<u>Weighted Cents Per Piece</u>
Package Sorting	10,000	---	---	---	---	---	---	0.000	0.000
<u>Outgoing RBCS</u>									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	0.970	-0.011	0.827	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	10,240	\$30.840	0.301	1.885	0.970	-0.009	0.559	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
<u>Outgoing Primary</u>									
Automation	0	6,559	\$30.840	0.470	1.937	0.970	-0.014	0.897	0.000
Manual	0	802	\$30.840	3.847	1.365	0.970	-0.114	5.137	0.000
<u>Outgoing Secondary</u>									
Automation	0	9,312	\$30.840	0.331	1.928	0.970	-0.010	0.629	0.000
Manual	0	814	\$30.840	3.790	1.365	0.970	-0.112	5.061	0.000
<u>Incoming RBCS</u>									
ISS	0	4,681	\$30.840	0.659	2.213	0.970	-0.020	1.439	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	9,225	\$30.840	0.334	1.819	0.970	-0.010	0.588	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
<u>Incoming MMP</u>									
Automation AADC	10,079	8,159	\$30.840	0.501	1.917	0.970	-0.015	0.945	0.952
Manual ADC	400	900	\$30.840	3.427	1.406	0.970	-0.101	4.716	0.189
<u>Incoming SCF/Primary</u>									
Automation	1,961	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.169
Manual	103	934	\$30.840	3.300	1.365	0.970	-0.098	4.407	0.045
<u>5-Digit Barcode Sort</u>	0	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.000
<u>Incoming Secondaries</u>									
Auto Carrier Route	2,119	5,614	\$30.840	0.549	1.897	0.970	-0.016	1.026	0.217
Auto 3-Pass DPS	3,232	32,363	\$30.840	0.095	1.953	0.970	-0.003	0.183	0.059
Auto 2-Pass DPS	13,646	10,145	\$30.840	0.304	1.943	0.970	-0.009	0.582	0.794
Man Inc Sec Final At Plant	1,064	807	\$30.840	3.822	1.365	0.970	-0.113	5.104	0.543
Man Inc Sec Final At DU	377	1,216	\$30.840	2.536	1.365	0.970	-0.075	3.387	0.128
Box Section Sort, DPS	680	2,464	\$30.840	1.252	1.406	0.970	-0.037	1.723	0.117
Box Section Sort, Other	210	1,233	\$30.840	2.502	1.406	0.970	-0.074	3.444	0.072

(10)
MODEL COST = **3.286**

(11)
DPS % = **76.35%**

- (1) Values From "MODEL" Spreadsheet
 (2) Values From "PRODUCTIVITY" Spreadsheet
 (3) Values From "WAGE" Spreadsheet
 (4) $[(3) * (100 \text{ cents/dollar})] / (2)$
 (5) Values From "PIGGYBACK" Spreadsheet
 (6) Values From "WAGE" Spreadsheet

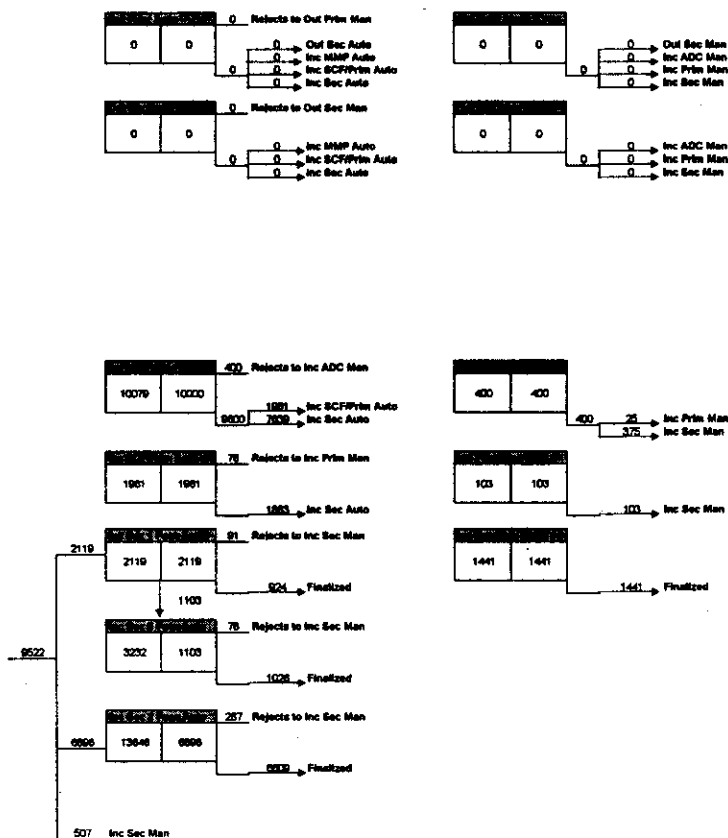
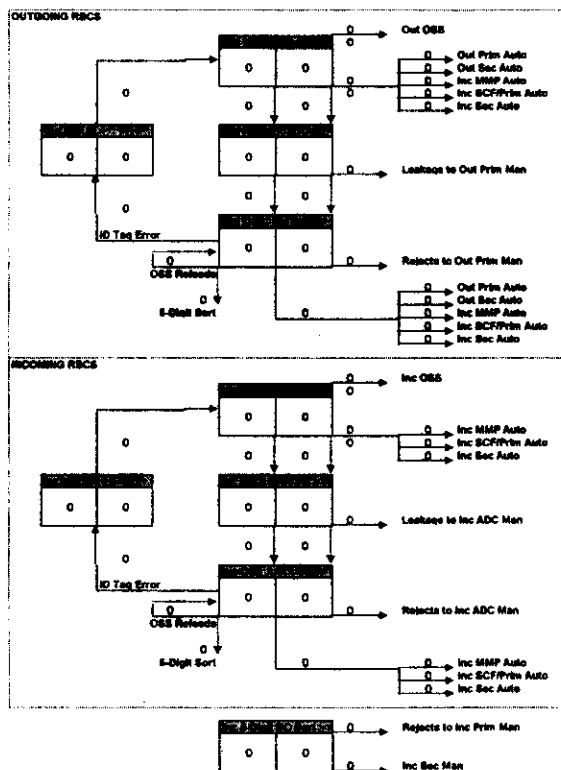
- (7) $[(6) - 1] * (4)$
 (8) $(4) * (5) + (7)$
 (9) $(1) * (8) / 10,000 \text{ Pieces}$
 (10) Sum (9)
 (11) $(\text{Pieces Finalized in DPS Operations}) / 10,000 \text{ Pieces}$

STANDARD MAIL AUTO AADC PRESORT LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

ENTRY POINTS:			
Out ISS/MCR	0	Inc ISS/MCR	0
Out Prim Auto	0	Inc MRP Auto	10000
Out Sec Auto	0	Inc SCF/Prim Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCF/Prim Man	0
		Inc Sec Man	0



STANDARD MAIL AUTO 3-DIGIT PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Entry Activities</u>	<u>TPH</u>	<u>Pieces Per Hour</u>	<u>Wage Rate</u>	<u>Direct Cents Per Piece</u>	<u>Piggyback Factor</u>	<u>Premium Pay Factor</u>	<u>Premium Pay Adjust</u>	<u>Total Cents Per Piece</u>	<u>Weighted Cents Per Piece</u>
Package Sorting	10,000	—	—	—	—	—	—	0.000	0.000
<u>Outgoing RBCS</u>									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	0.970	-0.011	0.827	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	10,240	\$30.840	0.301	1.885	0.970	-0.009	0.559	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
<u>Outgoing Primary</u>									
Automation	0	6,559	\$30.840	0.470	1.937	0.970	-0.014	0.897	0.000
Manual	0	802	\$30.840	3.847	1.365	0.970	-0.114	5.137	0.000
<u>Outgoing Secondary</u>									
Automation	0	9,312	\$30.840	0.331	1.928	0.970	-0.010	0.629	0.000
Manual	0	814	\$30.840	3.790	1.365	0.970	-0.112	5.061	0.000
<u>Incoming RBCS</u>									
ISS	0	4,681	\$30.840	0.659	2.213	0.970	-0.020	1.439	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	9,225	\$30.840	0.334	1.819	0.970	-0.010	0.598	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
<u>Incoming MMP</u>									
Automation AADC	0	6,159	\$30.840	0.501	1.917	0.970	-0.015	0.945	0.000
Manual ADC	0	900	\$30.840	3.427	1.406	0.970	-0.101	4.716	0.000
<u>Incoming SCF/Primary</u>									
Automation	10,000	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.860
Manual	400	934	\$30.840	3.300	1.365	0.970	-0.098	4.407	0.176
<u>5-Digit Barcode Sort</u>	0	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.000
<u>Incoming Secondaries</u>									
Auto Carrier Route	2,136	5,614	\$30.840	0.549	1.897	0.970	-0.016	1.026	0.219
Auto 3-Pass DPS	3,258	32,363	\$30.840	0.095	1.953	0.970	-0.003	0.183	0.060
Auto 2-Pass DPS	13,759	10,145	\$30.840	0.304	1.943	0.970	-0.009	0.582	0.800
Man Inc Sec Final At Plant	1,012	807	\$30.840	3.822	1.365	0.970	-0.113	5.104	0.516
Man Inc Sec Final At DU	359	1,216	\$30.840	2.536	1.365	0.970	-0.075	3.387	0.122
Box Section Sort, DPS	685	2,464	\$30.840	1.252	1.406	0.970	-0.037	1.723	0.118
Box Section Sort, Other	205	1,233	\$30.840	2.502	1.406	0.970	-0.074	3.444	0.071

(10)
MODEL COST = **2.942**

(11)
DPS % = **76.98%**

- (1) Values From "MODEL" Spreadsheet
 (2) Values From "PRODUCTIVITY" Spreadsheet
 (3) Values From "WAGE" Spreadsheet
 (4) $[(3) * (100 \text{ cents/dollar})] / (2)$
 (5) Values From "PIGGYBACK" Spreadsheet
 (6) Values From "WAGE" Spreadsheet

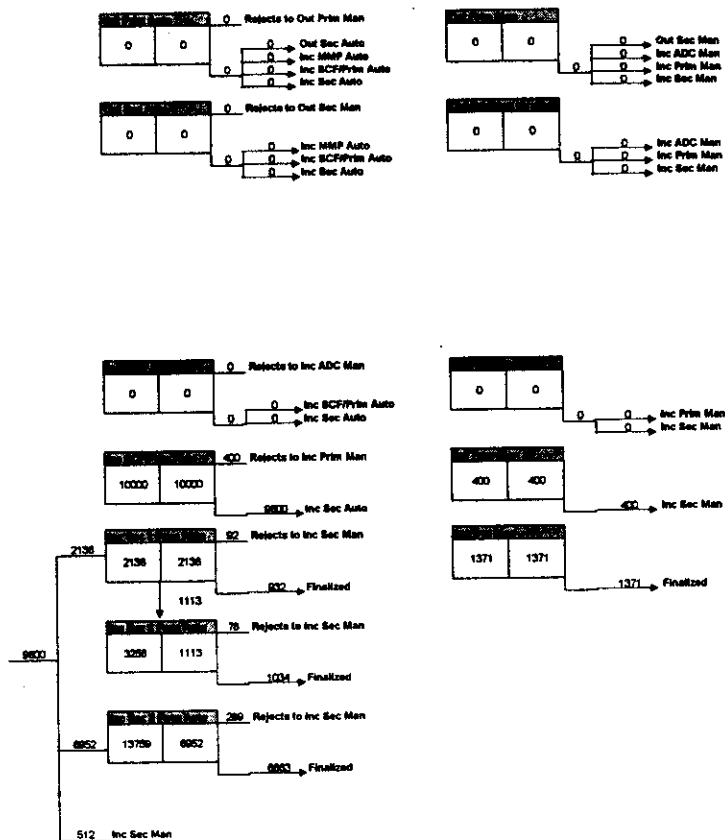
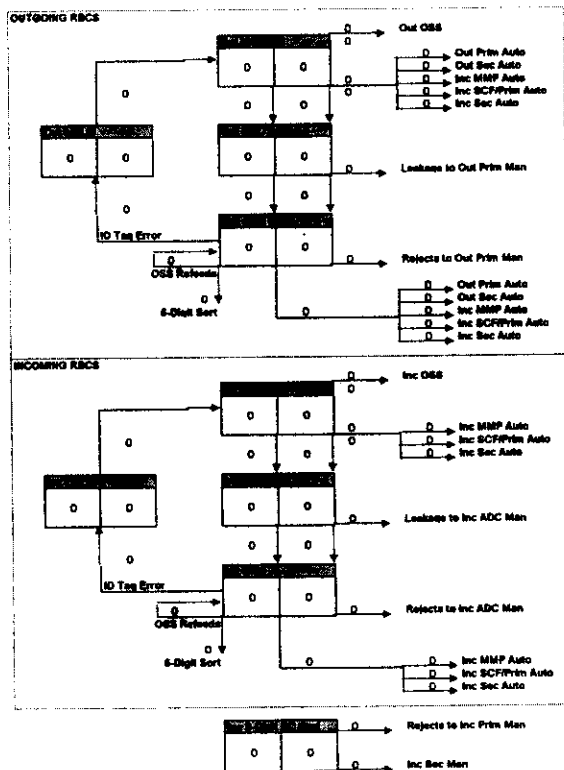
- (7) $[(6) - 1] * (4)$
 (8) $(4) * (5) + (7)$
 (9) $(1) * (8) / 10,000 \text{ Pieces}$
 (10) Sum (9)
 (11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

STANDARD MAIL AUTO 3-DIGIT PRESORT LETTERS
MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

ENTRY POINTS:			
Out ISARC	0	Inc ISARC	0
Out Prim Auto	0	Inc MAP Auto	0
Out Sec Auto	0	Inc SCF/Prim Auto	10000
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCF/Prim Man	0
		Inc Sec Man	0



STANDARD MAIL AUTO 5-DIGIT PRESORT LETTERS COST SHEET

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Entry Activities</u>	<u>TPH</u>	<u>Pieces Per Hour</u>	<u>Wage Rate</u>	<u>Direct Cents Per Piece</u>	<u>Piggyback Factor</u>	<u>Premium Pay Factor</u>	<u>Premium Pay Adjust</u>	<u>Total Cents Per Piece</u>	<u>Weighted Cents Per Piece</u>
Package Sorting	10,000	—	—	—	—	—	—	0.000	0.000
<u>Outgoing RBCS</u>									
ISS/RCR	0	8,142	\$30.840	0.379	2.213	0.970	-0.011	0.827	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	10,240	\$30.840	0.301	1.885	0.970	-0.009	0.559	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
<u>Outgoing Primary</u>									
Automation	0	6,559	\$30.840	0.470	1.937	0.970	-0.014	0.897	0.000
Manual	0	802	\$30.840	3.847	1.365	0.970	-0.114	5.137	0.000
<u>Outgoing Secondary</u>									
Automation	0	9,312	\$30.840	0.331	1.928	0.970	-0.010	0.629	0.000
Manual	0	814	\$30.840	3.790	1.365	0.970	-0.112	5.061	0.000
<u>Incoming RBCS</u>									
ISS	0	4,681	\$30.840	0.659	2.213	0.970	-0.020	1.439	0.000
REC	0	698	\$20.409	2.924	1.459	0.970	-0.087	4.179	0.000
OSS	0	9,225	\$30.840	0.334	1.819	0.970	-0.010	0.598	0.000
LMLM	0	3,749	\$30.840	0.823	2.567	0.970	-0.024	2.087	0.000
<u>Incoming MMP</u>									
Automation AADC	0	6,159	\$30.840	0.501	1.917	0.970	-0.015	0.945	0.000
Manual ADC	0	900	\$30.840	3.427	1.406	0.970	-0.101	4.716	0.000
<u>Incoming SCF/Primary</u>									
Automation	0	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.000
Manual	0	934	\$30.840	3.300	1.365	0.970	-0.098	4.407	0.000
<u>5-Digit Barcode Sort</u>	0	6,658	\$30.840	0.463	1.887	0.970	-0.014	0.860	0.000
<u>Incoming Secondaries</u>									
Auto Carrier Route	2,225	5,614	\$30.840	0.549	1.897	0.970	-0.016	1.026	0.228
Auto 3-Pass DPS	3,394	32,363	\$30.840	0.095	1.953	0.970	-0.003	0.183	0.062
Auto 2-Pass DPS	14,332	10,145	\$30.840	0.304	1.943	0.970	-0.009	0.582	0.834
Man Inc Sec Final At Plant	746	807	\$30.840	3.822	1.365	0.970	-0.113	5.104	0.381
Man Inc Sec Final At DU	265	1,216	\$30.840	2.536	1.365	0.970	-0.075	3.387	0.090
Box Section Sort, DPS	714	2,464	\$30.840	1.252	1.406	0.970	-0.037	1.723	0.123
Box Section Sort, Other	176	1,233	\$30.840	2.502	1.406	0.970	-0.074	3.444	0.061

(10)
MODEL COST = 1.778

(11)
DPS % = 80.19%

- (1) Values From "MODEL" Spreadsheet
 (2) Values From "PRODUCTIVITY" Spreadsheet
 (3) Values From "WAGE" Spreadsheet
 (4) $[(3) * (100 \text{ cents/dollar})] / (2)$
 (5) Values From "PIGGYBACK" Spreadsheet
 (6) Values From "WAGE" Spreadsheet

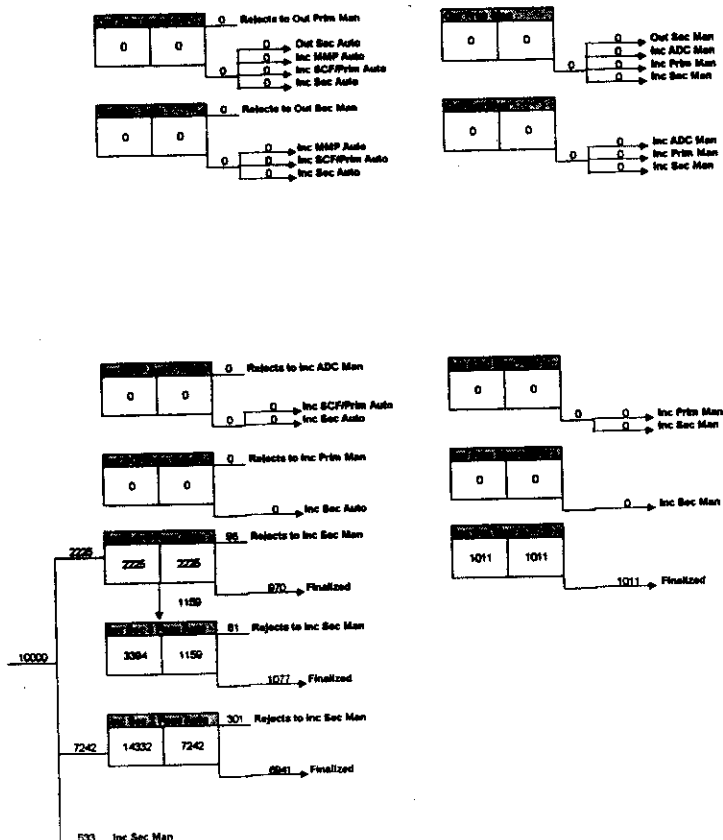
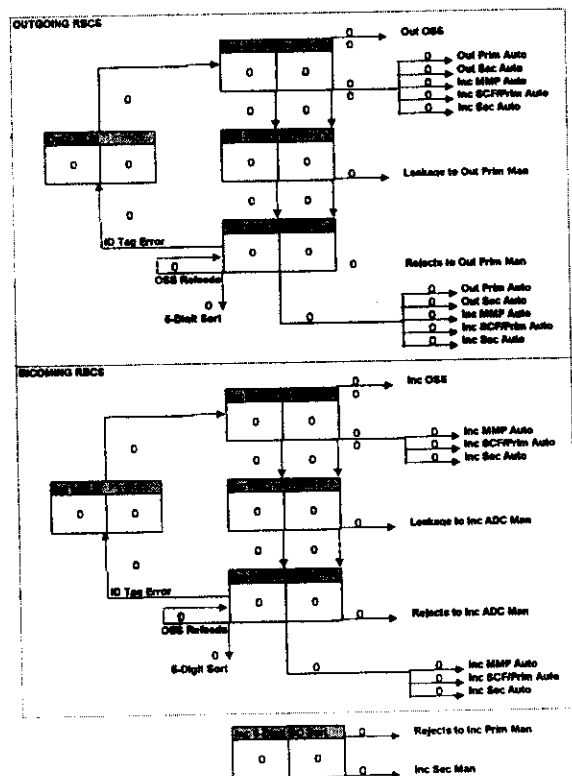
- (7) $[(6) - 1] * (4)$
 (8) $(4) * (5) + (7)$
 (9) $(1) * (8) / 10,000 \text{ Pieces}$
 (10) Sum (9)
 (11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

STANDARD MAIL AUTO 5-DIGIT PRESORT LETTERS MAIL FLOW MODEL

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out RSR/CR	0	Inc RSR/CR	0
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCF/Prim Auto	0
Out Prim Man	0	Inc Sec Auto	10000
Out Sec Man	0	Inc ADC Man	0
		Inc SCF/Prim Man	0
		Inc Sec Man	0



MARGINAL (VOLUME VARIABLE) PRODUCTIVITIES

	(1)	(2)		(3)
<u>Description</u>	<u>Variability Factor</u>	<u>MODS Productivity</u>	<u>Productivity Source</u>	<u>Marginal Productivity</u>
Outgoing ISS	0.770	6269	USPS LR-J-56	8,142
Incoming ISS	0.770	3604	USPS LR-J-56	4,681
REC	1.000	698	USPS LR-J-56	698
LMLM	1.000	3749	USPS LR-J-56	3,749
Outgoing OSS	0.896	9177	USPS LR-J-56	10,240
Incoming OSS	0.926	8539	USPS LR-J-56	9,225
Outgoing BCS Primary	0.873	5724	USPS LR-J-56	6,559
Outgoing BCS Secondary	0.877	8162	USPS LR-J-56	9,312
Incoming BCS MMP	0.882	5431	USPS LR-J-56	6,159
Incoming BCS SCF/Primary	0.895	5959	USPS LR-J-56	6,658
Incoming BCS Secondary Carrier Route	0.891	5001	USPS LR-J-56	5,614
Incoming BCS Secondary DPS (2 Pass)	0.870	8826	USPS LR-J-56	10,145
Incoming CSBCS Secondary DPS (3 Pass)	0.870	28,156	USPS LR-J-56	32,363
Manual Outgoing Primary	0.580	465	USPS LR-J-56	802
Manual Outgoing Secondary	0.580	472	USPS LR-J-56	814
Manual ADC	0.580	522	USPS LR-J-56	900
Manual Incoming SCF/Primary	0.580	542	USPS LR-J-56	934
Manual Incoming Secondary, MODS Site	0.580	468	USPS LR-J-56	807
Manual Incoming Secondary Non MODS Sites	0.940	1,143	Docket No. MC95-1, Exhibit USPS-T-10F	1,216
P.O. Box Sort DPS	0.950	2,341	Docket No. MC95-1, Exhibit USPS-T-10F	2,464
P.O. Box Sort Other	0.950	1,171	Docket No. MC95-1, Exhibit USPS-T-10F	1,233
Tray Opening Unit Bundle Sorting	0.960	160	Docket No. MC95-1, Exhibit USPS-T-10B	167

(1) USPS-LR-138

(2) Data Sources As Indicated

(3) (2) / (1)

TEST YEAR WAGE RATES

<u>Description</u>	<u>Source</u>	<u>Wage Rate</u>
Remote Encoding Centers (REC)	USPS LR-J-50	20.409
Other Mail Processing	USPS LR-J-50	30.840
Premium Pay Adjustment Factor	USPS LR-J-52	0.970

PIGGYBACK FACTORS

<u>EQUIPMENT</u> <u>DESCRIPTION</u>	<u>SOURCE</u>	<u>VALUE</u>
MLOCR	USPS LR-J-53	2.213
REC	USPS LR-J-52	1.459
LMLM	USPS LR-J-52	2.567
MPBCS	USPS LR-J-52	1.787
DBCS	USPS LR-J-52	1.943
CSBCS	USPS LR-J-52	1.953
Manual	USPS LR-J-53	1.365
Manual P.O. Box	USPS LR-J-53	1.406
Tray Opening Unit Bundle Sorting	USPS LR-J-53	1.545
<u>OPERATION</u>		(1)
<u>DESCRIPTION</u>		<u>VALUE</u>
Outgoing ISS		2.213
Outgoing REC		1.459
Outgoing OSS		1.885
Outgoing LMLM		2.567
Outgoing Prim Auto		1.937
Outgoing Prim Man		1.365
Outgoing Sec Auto		1.928
Outgoing Sec Man		1.365
Incoming ISS		2.213
Incoming REC		1.459
Incoming OSS		1.819
Incoming LMLM		2.567
Incoming MMP Auto		1.917
Incoming ADC Man		1.406
Incoming SCF/Prim Auto		1.887
Incoming SCF/Prim Man		1.365
Incoming 5-Digit Barcode Sort		1.887
Incoming Sec Auto Carrier Route		1.897
Incoming Sec Auto 3-Pass DPS		1.953
Incoming Sec Auto 2-Pass DPS		1.943
Man Inc Sec Final At Plant		1.365
Man Inc Sec Final At DU		1.365
Box Section Sort, DPS		1.406
Box Section Sort, Other		1.406
Tray Opening Unit Bundle Sorting		1.545

(1) For automation operations, these factors are the weighted average of MPBCS and DBCS piggyback factors using volume percentages in "FY 99 AP 11 MODS VOL" spreadsheet

FY 2000 MODS VOLUMES

Source: Corporate Information System

<u>Oper No.</u>	<u>Description</u>	<u>MODS Volume</u>	<u>% Volume</u>	
971	Outgoing Primary OSS - MPBCS	7,985,660,700	33.66%	37.36%
972	Outgoing Secondary OSS - MPBCS	878,580,800	3.70%	
271	Outgoing Primary OSS - DBCS	14,070,389,300	59.30%	62.64%
272	Outgoing Secondary OSS - DBCS	791,632,100	3.34%	
		23,726,262,900	100.00%	
871	Outgoing Primary - MPBCS	586,752,200	3.80%	
891	Outgoing Primary - DBCS	14,868,055,800	96.20%	
		15,454,808,000	100.00%	
872	Outgoing Secondary - MPBCS	1,154,795,000	9.30%	
892	Outgoing Secondary - DBCS	11,256,612,400	90.70%	
		12,411,407,400	100.00%	
973	Incoming MMP OSS - MPBCS	1,948,035,400	38.28%	79.55%
974	Incoming SCF OSS - MPBCS	1,215,252,700	23.88%	
975	Incoming Primary OSS - MPBCS	884,543,800	17.38%	20.45%
273	Incoming MMP OSS - DBCS	697,271,100	13.70%	
274	Incoming SCF OSS - DBCS	274,473,700	5.39%	
275	Incoming Primary OSS - DBCS	68,903,100	1.35%	
		5,088,479,800	100.00%	
873	Incoming MMP - MPBCS	4,829,566,200	16.90%	
893	Incoming MMP - DBCS	23,741,428,000	83.10%	
		28,570,994,200	100.00%	
874	Incoming SCF - MPBCS	12,046,099,700	25.28%	35.79%
875	Incoming Primary - MPBCS	5,007,310,500	10.51%	64.21%
894	Incoming SCF - DBCS	19,726,014,500	41.40%	
895	Incoming Primary DBCS	10,870,574,800	22.81%	
		47,649,999,500	100.00%	
876	Incoming Secondary Carrier Route - MPBCS	7,305,982,800	29.69%	
896	Incoming Secondary Carrier Route - DBCS	17,302,665,500	70.31%	
		24,608,648,300	100.00%	

STANDARD TOTAL MAIL ENTRY PROFILE

	Regular	Nonprofit	Total	Total		
Nonautomation Basic	1,313,068,221	825,252,778	2,138,350,999	2,138,350,999		
Nonautomation 3-5-Digit	2,076,268,096	1,584,010,405	3,660,298,501	3,660,298,501		
Automation Basic	<u>3,744,552,490</u>	<u>1,495,887,557</u>	<u>5,230,440,047</u>	<u>5,230,440,047</u>		
	7,133,938,807	3,895,150,740	11,029,089,547	11,029,089,547		
Rate Category	5,798,649,500					
Tray Presort Level						
Entry Point		Volume		Percent		
Nonautomation OCR Upgradable	863,200,513		100.00%			
				100.00%		
5-Digit	290,142,433		33.61%	33.61%	52.98%	
Inc ISS		290,142,433				
3-Digit	257,486,174		29.83%	29.83%	47.02%	
Inc ISS		257,486,174				
				100.00%		
AADC Trays	177,004,282		20.51%	16.32%	44.65%	
Inc ISS		140,895,409		4.18%	11.44%	
Inc ISS		36,108,874				
Mixed AADC Trays	138,567,624		16.05%	16.05%	43.91%	
Out ISS		138,567,624				
Nonautomation Non-OCR Upgradable	1,902,432,397		100.00%			
5-Digit	804,542,291		31.78%	100.00%	50.98%	
Inc ISS		804,542,291		31.78%		
3-Digit	581,206,242		30.55%	30.55%	49.02%	
Inc ISS		581,206,242				
5-Digit	28,556,939		1.50%	100.00%	3.98%	
Inc ISS		28,556,939		1.50%		
3-Digit/SCF	125,201,964		6.58%	6.58%	17.47%	
Inc ISS		125,201,964				
ADC Trays	168,890,054		8.87%	8.87%	23.54%	
Inc ISS		168,890,054				
Mixed ADC Trays	394,234,907		20.72%	20.72%	55.01%	
Out ISS		394,234,907				
Nonautomation Non-OCR Not Upgradable	3,033,016,590		100.00%			
55.56% = % nonmachinable						
5-Digit	1,333,367,463		43.96%	100.00%	27.48%	
Inc ISS		529,598,219		17.46%	41.71%	
Inc Sec Man		803,769,244		26.50%		
3-Digit	593,553,899		19.57%	7.78%	12.25%	
Inc ISS		236,045,140		11.79%	18.55%	
Inc SCF/Prim Man		357,508,758				
5-Digit	129,208,515		4.28%	100.00%	4.91%	
Inc ISS		54,335,744		1.79%	6.77%	
Inc Sec Man		74,872,771		2.47%		
3-Digit/SCF	532,981,918		17.57%	7.17%	19.65%	
Inc ISS		217,338,464		10.41%	28.54%	
Inc SCF/Prim Man		315,643,454				
ADC Trays	239,095,783		7.88%	3.11%	8.53%	
Inc ISS		94,351,205		4.77%	13.08%	
Inc ADC Man		144,744,579				
Mixed ADC Trays	204,809,012		6.75%	2.68%	7.36%	
Out ISS		81,415,930		4.07%	11.16%	
Out Prim Man		123,393,082				
Automation Basic	5,230,440,047		100.00%			
AADC Trays	2,875,476,520		54.98%	43.76%		
Inc MMP Auto		2,288,879,310		11.22%		
Inc SCF/Prim Auto		586,597,210				
Mixed AADC Trays	2,354,963,527		45.02%	45.02%		
Out Prim Auto		2,354,963,527				

STANDARD NONPROFIT MAIL ENTRY PROFILE

Rate Category Tray Presort Level Entry Point	Volume	Percent			
Nonautomation OCR Upgradable	500,114	100.00%			
5-Digit	167,678	33.53%	100.00%		
Inc ISS	167,678	33.53%	71.23%		
3-Digit	67,726	13.54%			
Inc ISS	67,726	13.54%	28.77%		
AADC Trays	148,476	29.69%	100.00%		
Inc ISS	118,187	23.63%	44.66%		
Inc ISS	30,289	6.06%	11.44%		
Mixed AADC Trays	116,234	23.24%			
Out ISS	116,234	23.24%	43.91%		
Nonautomation Non-OCR Upgradable	903,249	100.00%			
5-Digit	265,983	29.45%	100.00%		
Inc ISS	265,983	29.45%	49.86%		
3-Digit	267,476	29.61%			
Inc ISS	267,476	29.61%	50.14%		
5-Digit	7,987	0.88%	100.00%		
Inc ISS	7,987	0.88%	2.16%		
3-Digit/SCF	46,520	5.15%			
Inc ISS	46,520	5.15%	12.58%		
ADC Trays	70,852	7.84%			
Inc ISS	70,852	7.84%	19.16%		
Mixed ADC Trays	244,431	27.06%			
Out ISS	244,431	27.06%	86.10%		
Nonautomation Non-OCR Not Upgradable	2,180,506	100.00%			
64.70% = % nonmachinable					
5-Digit	893,996	41.00%	100.00%		
Inc ISS	315,580	14.47%	24.51%		
Inc Sec Man	578,415	26.53%	44.91%		
3-Digit	393,811	18.06%			
Inc ISS	139,015	6.38%	10.79%		
Inc SCF/Prim Man	254,796	11.69%	19.79%		
5-Digit	62,400	2.86%	100.00%		
Inc ISS	22,027	1.01%	2.47%		
Inc Sec Man	40,373	1.85%	4.52%		
3-Digit/SCF	395,019	18.12%			
Inc ISS	139,442	6.39%	15.62%		
Inc SCF/Prim Man	255,578	11.72%	28.63%		
ADC Trays	240,940	11.05%			
Inc ISS	85,052	3.90%	9.53%		
Inc ADC Man	155,888	7.15%	17.46%		
Mixed ADC Trays	194,341	8.91%			
Out ISS	68,602	3.15%	7.68%		
Out Prim Man	125,738	5.77%	14.09%		
Automation Basic	1,188,514	100.00%			
AADC Trays	620,059	52.17%			
Inc MMP Auto	493,567	41.53%			
Inc SCF/Prim Auto	126,492	10.64%			
Mixed AADC Trays	568,455	47.83%			
Out Prim Auto	568,455	47.83%			

STANDARD REGULAR MAIL ENTRY PROFILE

Rate Category	4,382,011				
Tray Presort Level					
Entry Point					
Nonautomation OCR Upgradable	697,067	Volume	100.00%	Percent	
5-Digit		206,579		100.00%	
Inc ISS			29.64%	29.64%	43.95%
3-Digit		263,453		37.79%	
Inc ISS			37.79%	37.79%	56.05%
AADC Trays		127,344		100.00%	
Inc ISS			18.27%	18.27%	
Inc ISS		101,366		14.54%	44.65%
Mixed AADC Trays		25,978		3.73%	11.44%
Out ISS		99,691		14.30%	
		99,691		14.30%	43.91%
Nonautomation Non-OCR Upgradable	1,674,403		100.00%		
5-Digit		512,840		30.63%	100.00%
Inc ISS			30.63%	30.63%	51.58%
3-Digit		481,421		28.75%	
Inc ISS			28.75%	28.75%	48.42%
5-Digit		31,899		1.91%	100.00%
Inc ISS			1.91%	1.91%	4.69%
3-Digit/SCF		131,676		7.86%	
Inc ISS			7.86%	7.86%	19.36%
ADC Trays		171,600		10.25%	
Inc ISS			10.25%	10.25%	25.23%
Mixed ADC Trays		344,968		20.60%	
Out ISS			20.60%	20.60%	50.72%
		344,968			
Nonautomation Non-OCR Not Upgradable	2,020,541		100.00%		
55.56% = % nonmachinable					
5-Digit		827,380		40.95%	100.00%
Inc ISS			18.20%	18.20%	30.64%
Inc Sec Man		367,665		22.75%	38.32%
3-Digit		372,417		18.43%	
Inc ISS			8.19%	8.19%	13.79%
Inc SCF/Prim Man		165,492		10.24%	17.25%
		206,925			
5-Digit		125,656		6.22%	100.00%
Inc ISS			2.76%	2.76%	6.80%
Inc Sec Man		55,838		3.46%	8.51%
		69,818			
3-Digit/SCF		420,467		20.81%	
Inc ISS			9.25%	9.25%	22.77%
Inc SCF/Prim Man		186,844		11.56%	28.46%
		233,623			
ADC Trays		143,302		7.09%	
Inc ISS			3.15%	3.15%	7.76%
Inc ADC Man		63,679		3.94%	9.70%
		79,622			
Mixed ADC Trays		131,319		6.50%	
Out ISS			2.89%	2.89%	7.11%
Out Prim Man		58,355		3.61%	8.89%
		72,964			
Automation Basic	2,901,090		100.00%		
AADC Trays		1,627,187		56.09%	
Inc MMP Auto				44.65%	
Inc SCF/Prim Auto		1,295,241		11.44%	
		331,946			
Mixed AADC Trays		1,273,903		43.91%	
Out Prim Auto				43.91%	
		1,273,903			

PRESORT LETTERS MAIL FLOW DENSITIES

Source: Docket No. R2000-1, USPS-T-24, Workpaper 1

<u>From Operation</u>	<u>OUTGOING</u>			<u>INCOMING</u>			<u>Total</u>
	<u>Refeeds</u>	<u>Primary</u>	<u>Secondary</u>	<u>Mgd Mail Program</u>	<u>SCF/ Primary</u>	<u>Inc Sec</u>	
Out ISS Auto		3.22%	28.61%	3.86%	37.94%	26.36%	100.00%
Out OSS Auto		2.12%	16.26%	10.74%	36.88%	34.00%	100.00%
Out Prim Auto	0.05%		7.29%	35.74%	50.38%	6.59%	100.00%
Out Sec Auto	3.08%			47.12%	48.01%	4.87%	100.00%
Inc ISS Auto				2.41%	32.39%	65.19%	100.00%
Inc OSS Auto				0.92%	20.28%	78.81%	100.00%
Inc MMP Auto	0.79%				20.43%	79.57%	100.00%
Out Prim Man			18.86%	12.81%	33.18%	35.15%	100.00%
Out Sec Man				94.94%	5.06%	0.00%	100.00%
Inc ADC Man					6.18%	93.82%	100.00%

MISCELLANEOUS FACTORS

<u>Description</u>	<u>Source</u>	<u>Value</u>
AADC Trays Entered At MMP Operation	Docket No. R97-1, LR-H-128	79.60%
RBCS Leakage Rate	Operations Leakage Target	5.00%
Automation Incoming Secondaries		
Delivery Unit (ZIP Code)	FY00 F.A.S.T. Data	5.33%
Carrier Route	FY00 F.A.S.T. Data	10.14%
3-Pass DPS (CSBCS)	FY00 F.A.S.T. Data	12.11%
2-Pass DPS (DBCS)	FY00 F.A.S.T. Data	<u>72.42%</u>
		100.00%
Auto Carrier Route Presort % To CSBCS Site	(3) / [(1) + (2) + (3)]	43.91%
Finalized At Least To Carrier Route At Plant	Docket No. R2000-1, USPS-T-24A	73.81%
Post Office Box Destination	Docket No. MC95-1, USPS-T-10I	8.90%

STANDARD (A) NONAUTOMATION BASIC PACKAGE SORTING COSTS

Test Year Wage Rate	=	\$30.840	(1)
Productivity	=	167	(2)
Piggyback Factor	=	1.545	(3)
Premium Pay Factor	=	0.970	(4)
Cost (Cents) Per Package	=	28.041	(5)

Package Type		Mix ADC to ADC	ADC to SCF/D-Dig	SCF/D-Dig to E-Dig	Final Operation
5-Digit Packages					
No. of Operations	(6)	0.5	0.5	1.3	
Cost Per Sort	(7)	14.020	22.433	36.453	
3-Digit Packages					
No. of Operations	(6)	0.5	1.0		0.5
Cost Per Sort	(7)	14.020	28.041		14.020
ADC Packages					
No. of Operations	(6)	1.0			1.0
Cost Per Sort	(7)	28.041			28.041
Mixed ADC Packages					
No. of Operations	(6)				1.0
Cost Per Sort	(7)				28.041

Package/Container Type	(8) Mix ADC to ADC	(8) ADC to SCF/D-Dig	(8) SCF/D-Dig to E-Dig	(8) Final Operation	(9) Total Cost	(10) Non-OCR Upgradable Volume	(11) %	(12) %	(13) Planes Per Package	(14) Cost Per Plane	(15) Non-OCR Non-OCR Volume	(15) %	(17) %	(18) Planes Per Package	(19) Cost Per Plane
Full 5-Digit Trays	0.000	0.000	0.000	0.000	0.000	0	0.00%	0.00%	0.0	0.000	0	0.00%	0.00%	0.0	0.000
Full 3-Digit Trays	0.000	0.000	0.000	0.000	0.000	0	0.00%	0.00%	0.0	0.000	0	0.00%	0.00%	0.0	0.000
5-Digit Packages in 3-Digit Trays	0.000	0.000	36.453	0.000	36.453	0	0.00%	0.00%	0.0	0.000	0	0.00%	0.00%	0.0	0.000
3-Digit Packages in 3-Digit Trays	0.000	0.000	0.000	14.020	14.020	0	0.00%	0.00%	0.0	0.000	0	0.00%	0.00%	0.0	0.000
5-Digit Packages in ADC Trays	0.000	22.433	36.453	0.000	58.886	0	0.00%	0.00%	0.0	0.000	0	0.00%	0.00%	0.0	0.000
3-Digit Packages in ADC Trays	0.000	28.041	0.000	14.020	42.061	0	0.00%	0.00%	0.0	0.000	0	0.00%	0.00%	0.0	0.000
ADC Packages in ADC Trays	0.000	0.000	0.000	28.041	28.041	27,182,746	8.84%	38.20%	19.5	0.048	28,891,355	10.68%	100.00%	25.0	0.120
5-Digit Packages in Mix ADC Trays	14.020	22.433	36.453	0.000	72.906	0	0.00%	0.00%	0.0	0.000	0	0.00%	100.00%	0.0	0.000
3-Digit Packages in Mix ADC Trays	14.020	28.041	0.000	14.020	56.062	0	0.00%	0.00%	0.0	0.000	0	0.00%	100.00%	0.0	0.000
ADC Packages in Mix ADC Trays	28.041	0.000	0.000	28.041	56.062	180,671,867	48.99%	0.00%	19.6	0.000	104,431,572	36.80%	100.00%	23.5	0.826
Mix ADC Packages in Mix ADC Trays	0.000	0.000	0.000	28.041	28.041	129,712,954	42.17%	0.00%	21.0	0.000	136,027,885	50.54%	100.00%	32.8	0.432
						307,577,357	100.00%		0.049		289,150,612	100.00%		1.478	
									(20)					(21)	

- (1) From "WAGE RATES" spreadsheet
(2) From "PRODUCTIVITIES" spreadsheet
(3) From "PIGGYBACKS" spreadsheet
(4) From "WAGE RATES" spreadsheet
(5) $[(1) * 100 / (2)] * [(3) + (4) - 1]$
(6) Number of Operations from Docket No. MC95-1, USPS-T-108
(7) $(5) * (6)$
(8) Package costs from (7) based on container type
(9) Sum (8) for all containers
(10) Docket No. R97-1, USPS LR-H-105

- (11) $[(10) \text{ for each package and container type}] / [\text{total } (10)]$
(12) Docket No. MC95-1, Smith Workpaper Part VI
(13) Docket No. R97-1, USPS LR-H-105
(14) $(9) * (11) * (12) / (13)$
(15) Docket No. R97-1, USPS LR-H-105
(16) $[(14) \text{ for each package and container type}] / [\text{total } (14)]$
(17) Docket No. MC95-1, Smith Workpaper Part VI
(18) Docket No. R97-1, USPS LR-H-105
(19) $(9) * (16) * (17) / (18)$
(20) Sum (14)
(21) Sum (19)

M 1.478

STANDARD NONAUTOMATION 3-5-DIGIT PACKAGE SORTING COSTS

Test Year Wage Rate	=	\$30.840	(1)
Productivity	=	167	(2)
Piggyback Factor	=	1.545	(3)
Premium Pay Factor	=	0.970	(4)
Cost (Cents) Per Package	=	28.041	(5)

Package Type		Mix ADC to ADC	ADC to SCF/3-Dig	SCF/3-Dig to 5-Dig	Final Operation
5-Digit Packages					
No. of Operations	(6)	0.5	0.8	1.3	
Cost Per Sort	(7)	14.020	22.433	36.453	
3-Digit Packages					
No. of Operations	(6)	0.5	1.0		0.5
Cost Per Sort	(7)	14.020	28.041		14.020
ADC Packages					
No. of Operations	(6)	1.0			1.0
Cost Per Sort	(7)	28.041			28.041
Mixed ADC Packages					
No. of Operations	(6)				1.0
Cost Per Sort	(7)				28.041

Package/Container Type	(8)	(8)	(8)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
	Mix ADC to ADC	ADC to SCF/3-Dig	SCF/3-Dig to 5-Dig	Final Operation	Total Cost	Non-OCR Upgradable Volume	% Vol	% Used	Pieces Per Package	Cost Per Piece	Non-OCR Non-OCR Volume	% Vol	% Used	Pieces Per Package	Cost Per Piece
Full 5-Digit Trays	0.000	0.000	0.000	0.000	0.000	0	0.00%	0.00%	0.0	0.000	0	0.00%	0.00%	0.0	0.000
Full 3-Digit Trays	0.000	0.000	0.000	0.000	0.000	0	0.00%	0.00%	0.0	0.000	0	0.00%	0.00%	0.0	0.000
5-Digit Packages in 3-Digit Trays	0.000	0.000	36.453	0.000	36.453	383,875,478	33.23%	48.80%	19.8	0.299	523,994,881	36.72%	100.00%	30.2	0.443
3-Digit Packages in 3-Digit Trays	0.000	0.000	0.000	14.020	14.020	286,080,897	23.21%	48.80%	28.7	0.055	276,198,519	19.35%	100.00%	35.4	0.077
5-Digit Packages in ADC Trays	0.000	22.433	36.453	0.000	58.886	102,783,782	8.90%	36.20%	14.5	0.138	110,195,087	7.72%	100.00%	14.0	0.325
3-Digit Packages in ADC Trays	0.000	28.041	0.000	14.020	42.061	207,084,947	17.83%	36.20%	21.9	0.132	302,709,524	21.21%	100.00%	26.9	0.332
ADC Packages in ADC Trays	0.000	0.000	0.000	28.041	28.041	0	0.00%	0.00%	0.0	0.000	0	0.00%	0.00%	0.0	0.000
5-Digit Packages in Mix ADC Trays	14.020	22.433	36.453	0.000	72.906	21,305,585	1.84%	0.00%	15.8	0.000	67,385,353	4.72%	100.00%	19.9	0.173
3-Digit Packages in Mix ADC Trays	14.020	28.041	0.000	14.020	56.082	171,973,820	14.89%	0.00%	18.2	0.000	146,882,081	10.28%	100.00%	25.2	0.229
ADC Packages in Mix ADC Trays	28.041	0.000	0.000	28.041	56.082	0	0.00%	0.00%	0.0	0.000	0	0.00%	0.00%	0.0	0.000
Mix ADC Packages in Mix ADC Trays	0.000	0.000	0.000	28.041	28.041	0	0.00%	0.00%	0.0	0.000	0	0.00%	0.00%	0.0	0.000
						1,155,094,599	100.00%		0.623		1,427,125,425	100.00%		1.578	
									(20)					(21)	

- (1) From "WAGE RATES" spreadsheet
- (2) From "PRODUCTIVITIES" spreadsheet
- (3) From "PIGGYBACKS" spreadsheet
- (4) From "WAGE RATES" spreadsheet
- (5) $[(1) * 100 / (2)] * [(3) + (4) - 1]$
- (6) Number of Operations from Docket No. MC95-1, USPS-T-10B
- (7) $(5) * (6)$
- (8) Package costs from (7) based on container type
- (9) Sum (8) for all containers
- (10) Docket No. R97-1, USPS LR-H-105

- (11) $[(10) \text{ for each package and container type}] / \text{total } (10)$
- (12) Docket No. MC95-1, Smith Workpaper Part VII
- (13) Docket No. R97-1, USPS LR-H-105
- (14) $(9) * (11) * (12) / (13)$
- (15) Docket No. R97-1, USPS LR-H-105
- (16) $[(10) \text{ for each package and container type}] / \text{total } (10)$
- (17) Docket No. MC95-1, Smith Workpaper Part VII
- (18) Docket No. R97-1, USPS LR-H-105
- (19) $(9) * (16) * (17) / (18)$
- (20) Sum (14)
- (21) Sum (19)

1.578

FEE SUMMARY

<u>Description</u>	<u>Cost (\$)</u>
Annual Permit Fee	\$119.377
Annual Accounting Fee	\$379.530
QBRM Quarterly Fee	\$767.403
Non-Letter Size BRM Monthly Fee	\$537.376

<u>Description</u>	<u>Cost (Cents)</u>
High Volume QBRM Per-Piece Fee	0.387
Basic QBRM Per-Piece Fee	3.929
High Volume BRM Per-Piece Fee	5.271
Basic BRM Per-Piece Fee	55.847
Non-Letter Size BRM Per-Piece Fee	0.586

ANNUAL PERMIT FEE

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<u>Task</u>	<u>Minutes</u>	<u>Wage</u>	<u>Annual</u>	<u>Piggyback</u>	<u>Premium</u>	<u>Annual</u>	<u>Annual</u>
	<u>Per Account</u>	<u>Rate</u>	<u>Direct</u>	<u>Factor</u>	<u>Pay</u>	<u>Premium</u>	<u>Total</u>
			<u>Cost</u>		<u>Factor</u>	<u>Pay</u>	<u>Cost</u>
Issuance	112.2	\$30.840	\$57.671	\$1.678	1.012	\$0.695	\$97.489
Literature	---	---	---	---	---	---	\$1.243 (8)
Revocations	23.76	\$30.840	\$12.213	\$1.678	1.012	\$0.147	\$20.645
							\$119.377 (9)

- (1) Docket No. R2000-1, USPS-T-29
- (2) From 'INPUTS' spreadsheet
- (3) (1) * (2) / (60 minutes per hour)
- (4) From 'INPUTS' spreadsheet
- (5) From 'INPUTS' spreadsheet
- (6) [(5) - 1] * (3)
- (7) (3) * (4) + (6)
- (8) \$1.13 (Docket No. R2000-1, USPS-T-29) * 1.10 CPIU Adjustment to TY03
- (9) Sum (7)

ANNUAL ACCOUNTING FEE (OVERSIGHT AND MAINTENANCE ACTIVITIES)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<u>Task</u>	<u>Weekly Workhrs Per Account</u>	<u>Annual Workhrs Per Account</u>	<u>Wage Rate</u>	<u>Annual Direct Cost</u>	<u>Piggyback Factor</u>	<u>Premium Pay Factor</u>	<u>Annual Premium Pay Adjustment</u>	<u>Annual Total Cost</u>
Account oversight and maintenance	0.14	7.28	\$30.840	\$224.515	1.678	1.012	\$2.705	\$379.530

- (1) Docket No. R97-1, USPS-T-27, Exhibit USPS-27F
- (2) (1) * 52
- (3) From 'INPUTS' spreadsheet
- (4) (2) * (3)
- (5) From 'INPUTS' spreadsheet
- (6) From 'INPUTS' spreadsheet
- (7) [(6) - 1] * (4)
- (8) (4) * (5) + (7)

QBRM QUARTERLY FEE (RATING AND BILLING ACTIVITIES)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		AP	AP		Quarterly		Premium	Premium	Quarterly	Weighted
Postage Due Method	Volume %	Minutes Per	Workhrs Per	Wage	Direct	Piggyback	Pay	Pay	Total	Total
BRMAS	6.50%	Account	Account	Rate	Cost	Factor	Factor	Adjustment	Cost	Cost
PERMIT/Other software										
Prepare postage due bill	47.60%	165	2.750	\$30.840	\$275.633	1.457	1.012	\$3.321	\$405.021	\$192.790
Manual										
Rating		300	5.000	\$30.840	\$501.150	1.457	1.012	\$6.039	\$736.401	
Prepare meter reading		45	0.750	\$30.840	\$75.173	1.457	1.012	\$0.906	\$110.460	
Prepare postage due bill		165	2.750	\$30.840	\$275.633	1.457	1.012	\$3.321	\$405.021	
	<u>45.80%</u>								<u>\$1,251.882</u>	<u>\$574.614</u>
	100.00%									
									\$767.403	(11)

- (1) Docket No. R2000-1, USPS-T-29
- (2) Docket No. R2000-1, USPS-T-29
- (3) (2) / 60
- (4) From 'INPUTS' spreadsheet
- (5) (3) * (4) * (13 AP per year / 4 quarters per year)
- (6) From 'INPUTS' spreadsheet
- (7) From 'INPUTS' spreadsheet
- (8) [(7) - 1] * (5)
- (9) (5) * (8) + (8)
- (10) (1) * (9)
- (11) Sum (10)

NONLETTER-SIZE BRM MONTHLY FEE (BILLING AND SAMPLING)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Minutes Per AP	Workhr Per AP	Wage Rate	Monthly Direct Cost	Piggyback Factor	Premium Pay Factor	Premium Pay Adjustment	Monthly Total Cost
<u>Postage Due Method</u>								
Billing Time	347.52	5.792	\$30.840	\$193.511	1.457	1.012	\$2.332	\$284.349
Sampling Time	309.24	5.154	\$30.840	\$172.195	1.457	1.012	\$2.075	\$253.027
								\$537.376 (9)

- (1) Minutes Per Day (Docket No. MC99-2, USPS-T-3) * 24 Days Per AP
- (2) (1) / 60
- (3) From 'INPUTS' spreadsheet
- (4) (2) * (3) (13 AP per year / 12 months per year)
- (5) From 'INPUTS' spreadsheet
- (6) From 'INPUTS' spreadsheet
- (7) [(6) - 1] * (4)
- (8) (4) * (5) + (7)
- (9) Sum (8)

QBRM HIGH VOLUME PER-PIECE FEE (COUNTING ACTIVITIES)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Counting Method</u>	<u>Volume</u> <u>Percentage</u>	<u>Marginal</u> <u>Productivity</u>	<u>Wage</u> <u>Rate</u>	<u>Direct</u> <u>Cents Per</u> <u>Piece</u>	<u>Piggyback</u> <u>Factor</u>	<u>Premium</u> <u>Pay</u> <u>Factor</u>	<u>Premium</u> <u>Pay</u> <u>Adjustment</u>	<u>Total</u> <u>Cents Per</u> <u>Piece</u>	<u>Weighted</u> <u>Cents Per</u> <u>Piece</u>
Other Software	16.48%	---	---	---	---	---	---	---	---
BRMAS	49.35%	7,936	\$30.840	0.389	1.944	1.012	0.005	0.760	0.375
End-of-Run (EOR)	30.17%	---	---	---	---	---	---	---	---
Counting Machine	1.19%	38,671	\$30.840	0.080	1.457	1.012	0.001	0.117	0.001
Manual	0.38%	2,270	\$30.840	1.358	1.457	1.012	0.016	1.996	0.008
Weight Averaging	2.45%	38,671	\$30.840	0.080	1.457	1.012	0.001	0.117	0.003
	100.00%								0.387 (10)

- (1) From 'HIGH VOL QBRM SURVEY' spreadsheet
- (2) From 'INPUTS' spreadsheet
- (3) From 'INPUTS' spreadsheet
- (4) $[(3) * 100] / (2)$
- (5) From 'INPUTS' spreadsheet
- (6) From 'INPUTS' spreadsheet
- (7) $[(6) - 1] * (4)$
- (8) $(4) * (5) + (7)$
- (9) $(1) * (8)$
- (10) SUM (8)

QBRM BASIC PER-PIECE FEE (COUNTING, RATING, AND BILLING ACTIVITIES)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Volume	Marginal	Wage	Direct	Piggyback	Premium	Premium	Total	Weighted
<u>Counting Method</u>	<u>Percentage</u>	<u>Productivity</u>	<u>Rate</u>	<u>Cents Per</u>	<u>Factor</u>	<u>Pay</u>	<u>Pay</u>	<u>Cents Per</u>	<u>Cents Per</u>
				<u>Piece</u>	<u>Factor</u>	<u>Factor</u>	<u>Adjustment</u>	<u>Piece</u>	<u>Piece</u>
BRMAS	21.03%	7,936	\$30.84	0.389	1.844	1.012	0.005	0.760	0.160
End-of-Run (EOR)	23.33%	—	—	—	—	—	—	—	—
Counting Machine	0.88%	38,671	\$30.84	0.080	1.457	1.012	0.001	0.117	0.001
Manual	48.01%	2,270	\$30.84	1.358	1.457	1.012	0.016	1.996	0.958
Weight Averaging	6.76%	38,671	\$30.84	0.080	1.457	1.012	0.001	0.117	0.008
	100.00%								
<u>Rating/Billing Method</u>									
PERMIT/Postage Due	46.00%	7,936	\$30.84	0.389	1.457	1.012	0.005	0.571	0.263
Manual	44.40%	793	\$30.84	3.891	1.457	1.012	0.047	5.718	2.539
								3.929	(10)

- (1) Docket No. R2000-1, KE-T-1, Exhibit KE-1B
(2) From 'INPUTS' spreadsheet
(3) From 'INPUTS' spreadsheet
(4) $[(3) * 100] / (2)$
(5) From 'INPUTS' spreadsheet
(6) From 'INPUTS' spreadsheet
(7) $[(6) - 1] * (4)$
(8) $(4) * (5) + (7)$
(9) $(1) * (8)$
(10) SUM (9)

BRM HIGH VOLUME PER-PIECE FEE (COUNTING, RATING, AND BILLING ACTIVITIES)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Counting Method</u>	<u>Volume Percentage</u>	<u>Marginal Productivity</u>	<u>Wage Rate</u>	<u>Direct Cents Per Piece</u>	<u>Piggyback Factor</u>	<u>Premium Pay Factor</u>	<u>Premium Pay Adjustment</u>	<u>Total Cents Per Piece</u>	<u>Weighted Cents Per Piece</u>
BRMAS	2.20%	7,936	\$30.84	0.389	1.944	1.012	0.005	0.760	0.017
End-of-Run (EOR)	9.10%	—	—	—	—	—	—	—	—
Manual	88.70%	2,270	\$30.84	1.358	1.457	1.012	0.016	1.996	1.771
	100.00%								
<u>Rating/Billing Method</u>									
PERMIT/Postage Due	43.40%	7,936	\$30.84	0.389	1.457	1.012	0.005	0.571	0.248
Manual	56.60%	793	\$30.84	3.891	1.457	1.012	0.047	5.718	3.236
	100.00%								
									5.271 (10)

- (1) Docket No. R97-1, USPS LR-H-179, Table 13
 (2) From 'INPUTS' spreadsheet
 (3) From 'INPUTS' spreadsheet
 (4) [(3) * 100] / (2)
 (5) From 'INPUTS' spreadsheet
 (6) From 'INPUTS' spreadsheet
 (7) [(6) - 1] * (4)
 (8) (4) * (5) + (7)
 (9) (1) * (8)
 (10) SUM (9)

BRM BASIC PER-PIECE FEE (COUNTING, RATING, BILLING, COLLECTION, AND ACCOUNT MAINTENANCE ACTIVITIES)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Volume	Marginal	Wage	Direct	Piggyback	Premium	Premium	Total	Weighted
Counting Method	Percentage	Productivity	Rate	Cents Per	Factor	Pay	Pay	Cents Per	Cents Per
BRMAS	1.60%	7,936	\$30.84	0.389	1.944	1.012	0.005	0.760	0.012
End-of-Run (EOR)	0.60%	—	—	—	—	—	—	—	—
Manual	97.80%	2,270	\$30.84	1.358	1.457	1.012	0.016	1.996	1.952
	100.00%								
Rating/Billing Method									
PERMITS/Postage Due	27.90%	7,936	\$30.84	0.389	1.457	1.012	0.005	0.571	0.159
Manual	72.10%	793	\$30.84	3.891	1.457	1.012	0.047	5.718	4.123
	100.00%								
Collection Method									
Box Section Clerk									
Pickup BRM at Postage Due Unit		4,235	\$30.84	0.728	1.457	1.012	0.009	1.070	
Examine and sign due bill (Form 3582-B)		322	\$30.84	9.568	1.457	1.012	0.115	14.059	
Prepare call slip and place in lock box		357	\$30.84	8.628	1.457	1.012	0.104	12.678	
Collect from customer		240	\$30.84	12.827	1.457	1.012	0.155	18.849	
Turn in postage		266	\$30.84	11.596	1.457	1.012	0.140	17.039	
Accept Collections		277	\$30.84	11.150	1.457	1.012	0.134	16.384	
Total Box Section Clerk	12.30%							80.078	9.850
Carrier									
Pickup BRM at Postage Due Unit		3,114	\$32.62	1.047	1.364	1.012	0.013	1.441	
Examine and sign due bill (Form 3582-B)		315	\$32.62	10.355	1.364	1.012	0.125	14.248	
Collect from customer		69	\$32.62	47.271	1.364	1.012	0.570	65.047	
Turn in postage		265	\$32.62	12.308	1.364	1.012	0.148	16.937	
Accept collections		260	\$32.62	12.545	1.364	1.012	0.151	17.263	
Total	8.40%							114.936	9.655
Account Oversight and Maintenance									
Postage Due Account (1,000 pcs/yr)	79.30%							37.953	30.097 (10)
	100.00%								
									55.847 (11)

(1) Docket No. R97-1, USPS LR-H-179, Table 13

(2) From 'INPUTS' spreadsheet

(3) From 'INPUTS' spreadsheet

(4) $[(3) * 100] / (2)$

(5) From 'INPUTS' spreadsheet

(6) From 'INPUTS' spreadsheet

(7) $[(6) - 1] * (4)$ (8) $(4) * (5) + (7)$ (9) $(1) * (8)$ (10) $[\text{Total Cost from "ANNUAL ACCTG FEE" spreadsheet} / (10 \text{ pcs/wk} * 52 \text{ wks/yr})] * (1)$

(11) Sum (8)

NONLETTER-SIZE BRM PER-PIECE FEE (COUNTING ACTIVITIES)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<u>Counting Method</u>	<u>Marginal Productivity</u>	<u>Wage Rate</u>	<u>Direct Cents Per Piece</u>	<u>Piggyback Factor</u>	<u>Premium Pay Factor</u>	<u>Premium Pay Adjustment</u>	<u>Total Cents Per Piece</u>
Weight Averaging	7,736	\$30.84	0.399	1.457	1.012	0.005	0.586

- (1) From 'INPUTS' spreadsheet
- (2) From 'INPUTS' spreadsheet
- (3) $[(2) * 100] / (1)$
- (4) From 'INPUTS' spreadsheet
- (5) From 'INPUTS' spreadsheet
- (6) $[(5) - 1] * (3)$
- (7) $(3) * (4) + (6)$

COST STUDY INPUTS

<u>Productivity</u>	<u>Actual Pcs/HR</u>	<u>Volume Variability Factor</u>	<u>Marginal Pcs/Hr</u>	<u>Source</u>
Counting				
BRMAS Additional Workload	7,460	0.94	7,936	Docket No. R97-1, USPS-T-27
Weight Averaging (letter size)	36,351	0.94	38,671	USPS LR-J-60
Weight Averaging (nonletter size)	7,272	0.94	7,736	Docket No. R2000-1, USPS-T-29
Counting Machine	36,351	0.94	38,671	USPS LR-J-60
Manual (Riffle Letters)	2,134	0.94	2,270	USPS LR-J-56
Rating/Billing				
PERMIT/Postage Due	7,460	0.94	7,936	Docket No. R97-1, USPS-T-27
Manual rating/billing	745	0.94	793	Docket No. R2000-1, USPS-T-29
Collection - Box Section				
Pickup BRM at Postage Due Unit	3,981	0.94	4,235	Docket No. R2000-1, USPS-T-29
Examine and signe due bill (Form 3582-B)	303	0.94	322	Docket No. R2000-1, USPS-T-29
Prepare call slip and place in lock box	336	0.94	357	Docket No. R2000-1, USPS-T-29
Collect from customer	226	0.94	240	Docket No. R2000-1, USPS-T-29
Turn in postage	250	0.94	266	Docket No. R2000-1, USPS-T-29
Accept Collections	260	0.94	277	Docket No. R2000-1, USPS-T-29
Collection - Carriers				
Pickup BRM at Postage Due Unit	3,114	---	3,114	Docket No. R2000-1, USPS-T-29
Examine and sign due bill (Form 3582-B)	315	---	315	Docket No. R2000-1, USPS-T-29
Collect from customer	69	---	69	Docket No. R2000-1, USPS-T-29
Turn in postage	265	---	265	Docket No. R2000-1, USPS-T-29
Accept collections	260	---	260	Docket No. R2000-1, USPS-T-29
Wage Rates			<u>\$/Hr</u>	<u>Source</u>
Other mail processing			\$30.840	USPS LR-J-50
Carrier			\$32.617	USPS LR-J-50
Piggyback Factors		<u>Factor</u>		<u>Source</u>
MODS 11 BCS/DBCS		1.944		USPS LR-J-53
MODS 18 BUSREPY		1.457		USPS LR-J-53
MODS 79 LD79		1.678		USPS LR-J-53
CITY CARRIER		1.364		USPS LR-J-52
Premium Pay Factor		<u>Factor</u>		
First-Class		1.012		USPS LR-J-52

TOP 151 QBRM (TOTAL) ACCOUNTS

No.	Indicia	Revenue	Total QBRM Pieces	Other Software	BRMAS	E.O.R.	Counting Machine	Manual	Weight Averaging
1	BR	16,088,456	49,405,413	49,405,413					
2	BR	14,366,822	41,048,062		41,048,062				
3	BR	3,683,877	11,693,366		11,693,366				
4	BR	3,198,355	9,137,280			9,137,280			
5	BR	2,435,191	6,957,689			6,957,689			
6	BR	1,302,079	5,121,491		5,121,491				
7	BR	1,329,788	4,918,797			4,918,797			
8	BR	1,462,462	4,637,098		4,637,098				
9	BR	1,489,396	4,570,147		4,570,147				
10	BR	1,619,371	4,482,677		4,482,677				
11	BR	1,322,520	3,778,626		3,778,626				
12	BR	1,215,519	3,472,910		3,472,910				
13	BR	1,121,889	3,205,396			3,205,396			
14	BR	1,033,987	3,105,235			3,105,235			
15	BR	991,945	3,051,132			3,051,132			
16	BR	1,000,164	2,872,157		2,872,157				
17	BR	1,000,817	2,857,049		2,857,049				
18	BR	982,562	2,807,339		2,807,339				
19	BR	714,832	2,790,415			2,790,415			
20	BR	580,258	2,327,589		2,327,589				
21	BR	782,807	2,236,558			2,236,558			
22	BR	721,351	2,150,546			2,150,546			
23	BR	744,849	2,128,127			2,128,127			
24	BR	726,906	2,075,988		2,075,988				
5	BR	720,178	2,057,655		2,057,655				
26	BR	691,381	1,986,763		1,986,763				
27	BR	694,867	1,984,866		1,984,866				
28	BR	690,673	1,973,350			1,973,350			
29	BR	438,839	1,907,742						1,907,742
30	BR	657,485	1,878,528			1,878,528			
31	BR	648,072	1,851,635		1,851,635				
32	BR	524,909	1,849,486			1,849,486			
33	BR	626,275	1,789,696		1,789,696				
34	BR	602,701	1,722,002		1,722,002				
35	BR	445,271	1,705,356		1,705,356				
36	BR	575,429	1,644,111				1,644,111		
37	BR	546,754	1,640,812		1,640,812				
38	BR	557,796	1,593,388			1,593,388			
39	BR	432,125	1,491,995			1,491,995			
40	BR	500,959	1,431,312		1,431,312				
41	BR	401,291	1,377,515			1,377,515			
42	BR	465,859	1,331,027				1,331,027		
43	BR	462,460	1,321,314			1,321,314			
44	BR	321,948	1,314,045		1,314,045				
45	BR	458,249	1,309,278		1,309,278				
46	BR	446,218	1,274,902		1,274,902				
47	BR	426,115	1,222,934			1,222,934			
48	BR	421,314	1,203,746			1,203,746			
49	BR	475,054	1,195,896		1,195,896				
50	BR	373,239	1,193,054			1,193,054			
1	BR	413,002	1,180,005			1,180,005			
52	BR	412,904	1,179,725			1,179,725			
53	BR	407,738	1,165,442		1,165,442				
54	BR	384,405	1,098,260		1,098,260				

55	BR	380,474	1,087,068		1,087,068	
56	BR	376,771	1,076,488	1,076,488		
57	BR	342,390	1,044,200	1,044,200		
	BR	363,323	1,037,969	1,037,969		
	BR	337,339	1,031,418	1,031,418		
60	BR	354,693	1,013,408	1,013,408		
61	BR	352,013	1,005,744	1,005,744		
62	BR	350,813	1,002,319		1,002,319	
63	BR	348,898	996,853	996,853		
64	BR	343,126	984,290	984,290		
65	BR	343,794	982,524		982,524	
66	BR	342,828	979,567		979,567	
67	BR	224,897	977,652	977,652		
68	BR	338,769	967,910		967,910	
69	BR	332,486	950,653	950,653		
70	BR	323,416	940,960	940,960		
71	BR	328,380	938,229	938,229		
72	BR	327,890	937,871	937,871		
73	BR	327,833	935,191			935,191
74	BR	319,497	928,590		928,590	
75	BR	309,025	916,247	916,247		
76	BR	317,601	907,430	907,430		
77	BR	315,900	902,572	902,572		
78	BR	312,528	892,937		892,937	
79	BR	310,811	892,827	892,827		
80	BR	246,196	886,910		886,910	
81	BR	246,498	886,122		886,122	
82	BR	309,565	884,470		884,470	
83	BR	202,179	877,273			877,273
84	BR	305,195	871,985			871,985
5	BR	213,647	867,427		867,427	
3	BR	282,374	862,797		862,797	
87	BR	333,710	861,153		861,153	
88	BR	298,853	853,865	853,865		
89	BR	295,616	844,617	844,617		
90	BR	291,871	841,416	841,416		
91	BR	191,324	831,845		831,845	
92	BR	288,858	825,455		825,455	
93	BR	288,323	823,004		823,004	
94	BR	187,061	813,309			813,309
95	BR	270,582	781,528		781,528	
96	BR	212,646	780,143		780,143	
97	BR	270,432	772,955		772,955	
98	BR	266,841	762,402		762,402	
99	BR	265,953	759,816	759,816		
100	BR	258,144	737,570		737,570	
101	BR	218,920	736,169		736,169	
102	BR	251,904	719,727		719,727	
103	BR	251,795	719,418		719,418	
104	BR	248,634	711,947		711,947	
105	BR	171,681	711,511		711,511	
106	BR	248,289	710,075	710,075		
107	BR	247,777	707,931	707,931		
108	BR	228,611	704,530		704,530	
109	BR	208,813	695,030		695,030	
110	BR	241,554	690,147			690,147
111	BR	240,207	686,177		686,177	
112	BR	239,083	683,094	683,094		
113	BR	238,688	681,967	681,967		
114	BR	237,812	679,456	679,456		
115	BR	159,805	677,786			677,786

116	BR	236,403	677,746	677,746				
117	BR	233,704	668,578	668,578				
118	BR	232,600	664,414		664,414			
	BR	229,922	656,919	656,919				
119	BR	228,637	653,250	653,250				
121	BR	154,782	651,176		651,176			
122	BR	227,479	649,941	649,941				
123	BR	224,991	643,205		643,205			
124	BR	220,040	628,685		628,685			
125	BR	214,561	613,766	613,766				
126	BR	213,887	611,105		611,105			
127	BR	214,237	610,923			610,923		
128	BR	213,113	608,894		608,894			
129	BR	138,498	601,228	601,228				
130	BR	208,318	596,825	596,825				
131	BR	208,239	595,249				595,249	
132	BR	208,242	594,976	594,976				
133	BR	207,609	593,169		593,169			
134	BR	213,950	590,557		590,557			
135	BR	205,585	587,387	587,387				
136	BR	135,940	582,854		582,854			
137	BR	202,516	578,808		578,808			
138	BR	132,370	574,990					574,990
139	BR	197,328	567,844	567,844				
140	BR	196,067	560,160	560,160				
141	BR	195,721	559,236		559,236			
142	BR	192,571	549,304		549,304			
143	BR	189,660	542,625				542,625	
144	BR	188,914	540,628	540,628				
145	BR	185,869	531,309	531,309				
146	BR	179,088	525,711		525,711			
147	BR	181,736	519,240	519,240				
148	BR	181,005	517,158		517,158			
149	BR	180,130	515,779	515,779				
150	BR	178,667	510,478		510,478			
151	BR	220,054	506,348		506,348			

Grand Total	Total	Total	Total	Total	Total	Total	Total
300,159,336	49,405,413	148,125,043	90,556,522	3,586,061	1,137,874	7,348,423	
100.00%	16.46%	49.35%	30.17%	1.19%	0.38%	2.45%	
	Other Software	BRMAS	E.O.R.	Counting Machine	Manual	Weight Averaging	

WEIGHT AVERAGING METHODS TIME MEASUREMENT (MTM) ANALYSIS SUMMARY

<u>Task Description</u>	<u>Total TMUs</u>	<u>Total Minutes</u>	<u>Minutes Per Pc</u>
Daily Set-Up	5005.9	3.004	0.00011
Daily Weight Averaging - 1 Tray	2138.9	1.283	0.00096
Daily Weight Averaging - 1 Bundle	1390.2	0.834	0.00018
Daily Count of Residue Pieces	2663.6	1.598	0.00006
Daily Teardown	4282.3	2.569	0.00009
Bi-weekly Conversion Factor Development	16324.8	9.795	0.00004
Normal Time (Min/Pc)			0.00144
Personal-Fatigue-Delay Allowance			15%
Standard Time (Min/Pc)			0.00165
Productivity (Pcs/Hr)			36,351

**WEIGHT AVERAGING METHODS TIME MEASUREMENT (MTM) ANALYSIS
MAIL VOLUME DATA**

<u>Annual Pieces</u>	<u>Pieces Per Tray</u>	<u>Days Per Year</u>	<u>Pieces Per Day</u>	<u>Trays Per Day</u>	<u>Pieces Per Bundle</u>	<u>Bundles Per Day</u>	<u>Individual Pieces Per Day</u>	<u>Trays Per APC</u>	<u>APCs Per Day</u>
6,957,689	1,300	249	27,943	21	100	6	42	12	2

WEIGHT AVERAGING METHODS TIME MEASUREMENT (MTM) ANALYSIS
DAILY WEIGHT AVERAGING - 1 TRAY

	Left Hand Description	LH Notation	Distance	RH Notation	Distance	Right Hand Description	Freq	Unit TMU	Total TMU
C	THE CLERK BEGINS AT THE APC WHERE THE INCOMING MAIL IS STORED. THE FULL TRAYS ARE WEIGHED FIRST.								
C				TBC2		Turn to APC	1	37.2	37.2
C	Reach to tray	RA	16	RA	16	Reach to tray	1	11.4	11.4
	Grasp tray	G1A		G1A		Grasp tray	1	2.0	2.0
	Lift tray	MB	8	MB	8	Lift tray	1	10.6	10.6
	Move to self	MB	8	MB	8	Move to self	1	10.6	10.6
				TBC2		Turn to scale	1	37.2	37.2
				WPO		Walk to scale	5	17.0	85.0
	Move tray to scale	MB	12	MB	12	Move tray to scale	1	13.4	13.4
	Position tray on scale	P1SS		P1SS		Position tray on scale	1	9.1	9.1
	Release Tray	RL		RL		Release Tray	1	2.0	2.0
				SSC2		Step back	1	34.1	34.1
				ET		Look to scale display	1	20.0	20.0
				EF		Focus on display	1	7.3	7.3
				READ		Read scale	2	5.1	10.1
C	THE CLERK RETURNS TO APC THREE TIMES TO GET MORE MAIL PIECES TO ACHIEVE THE 15 LB, 11 OZ READING REQUIRED FOR 1,300 MAIL PIECES.								
C				TBC2		Turn to APC	3	37.2	111.6
				WP		Walk to APC	9	15.0	135.0
				TBC2		Turn to APC	3	37.2	111.6
	Reach to tray	RA	16	RA	16	Reach to tray	3	11.4	34.2
	Regrasp tray	G2		G1C1		Grasp mail pieces	3	7.3	21.9
	Regrasp tray	G2		G2		Regrasp mail pieces	3	5.6	16.8
				D2		Remove mail from tray	3	7.5	22.5
				MB	16	Move mail to self	3	15.8	47.4
				TBC2		Turn to scale	3	37.2	111.6
				WP		Walk to scale	9	15.0	135.0
				TBC2		Turn to scale	3	37.2	111.6
	Reach to tray on scale	RA	16				3	11.4	34.2
				MB	16	Move letters to scale	3	15.8	47.4
	Regrasp letters	G2		MB	2	Align close to scale	3	5.6	16.8
	Move letters against side	MA	3				3	4.9	14.7
				P3NS		Insert letters in tray	3	47.8	143.4
				SSC2		Step back	3	34.1	102.3
				ET		Look to scale display	3	20.0	60.0
				EF		Focus on display	3	7.3	21.9
				READ		Read scale	6	5.1	30.3
C	THE CLERK RECORDS THE WEIGHED TRAY ON FORM.								
C				RD	12	Reach to pencil	1	14.2	14.2
C				G1C3		Grasp pencil	1	10.8	10.8
				G2		Regrasp pencil	1	5.6	5.6
	Reach to form	RA	12	MB	12	Move to form	1	13.4	13.4
	Grasp form	G1A		G2		Regrasp pencil	1	5.6	5.6
				P2NS		Position pencil	1	26.6	26.6
				MC	1	Record hatch mark	1	3.4	3.4
				G2		Regrasp pencil	1	5.6	5.6
				MB	12	Move pencil to desk	1	13.4	13.4
				RL		Release pencil	1	2.0	2.0
C	THE CLERK PLACES THE WEIGHED TRAY ONTO THE NUTTING TRUCK.								
C				RA	16	Reach to tray	1	11.4	11.4
C	Reach to tray	RA	16	G1A		Grasp tray	1	2.0	2.0
	Grasp tray	G1A		MB	8	Lift tray	1	10.6	10.6
	Lift tray	MB	8	MB	8	Move to self	1	10.6	10.6
	Move to self	MB	8						
				TBC2		Turn to nutting truck	1	37.2	37.2
				WP		Walk to nutting truck	5	17.0	85.0
				B		Bend to truck	1	29.0	29.0
	Move to nutting truck	MB	12	MB	12	Move to nutting truck	1	13.5	13.5
	Position on nutting truck	P1SS		P1SS		Position on truck	1	9.1	9.1
	Release Tray	RL		RL		Release Tray	1	2.0	2.0
				AB		Arise from bend	1	31.9	31.9
C	THE CLERK RETURNS TO APC TO RETRIEVE THE NEXT TRAY.								
C				TBC2		Turn to APC	1	37.2	37.2
C				TBC1		Complete turn	1	18.6	18.6
				WP		Walk to APC	8	15.0	120.0

Total Time Measurement Units (TMUs)

2138.9

WEIGHT AVERAGING METHODS TIME MEASUREMENT (MTM) ANALYSIS
DAILY WEIGHT AVERAGING - 1 BUNDLE

	Left Hand Description	LH Notation	Distance	RH Notation	Distance	Right Hand Description	Freq	Unit TMU	Total TMU
C	THE CLERK BEGINS AT THE APC WHERE THE INCOMING MAIL IS STORED. AFTER THE FULL TRAYS ARE WEIGHED, BUNDLES OF 100								
C	PIECES ARE WEIGHED.								
C				TBC2		Turn to APC	1	37.2	37.2
	Reach to tray	RA	16	RA	16	Reach to tray	1	11.4	11.4
	Grasp tray	G1A		G1A		Grasp tray	1	2.0	2.0
	Regrasp tray	G2		G1C1		Grasp bundle of mail	1	7.3	7.3
				D2		Disengage mail pieces	1	7.5	7.5
				MB	8	Move to self	1	10.6	10.6
				TBC2		Turn to scale	1	37.2	37.2
				WP		Walk to scale	3	15.0	45.0
				MB	12	Move bundle to desk	1	13.5	13.5
				RL		Bundle	1	2.0	2.0
				RD	6	Reach to subset of bundle	1	10.1	10.1
				G1C3		Grasp bundle subset	1	10.8	10.8
				MB	10	Move bundle to scale	1	12.2	12.2
				P1SS		Position bundle on scale	1	9.1	9.1
				RL		Release bundle	1	2.0	2.0
				SSC2		Step back	1	34.1	34.1
				ET		Look to scale display	1	20.0	20.0
				EF		Focus on display	1	7.3	7.3
				READ		Read scale	2	5.1	10.1
C	THE CLERK ADDS/REMOVES 1 OR MORE MAIL PIECES FIVE MORE TIMES UNTIL A 1 LB, 2.4 OZ READING IS ACHIEVED.								
C				RA	16	Reach to loose mail pieces	5	11.4	57.0
C				G1C3		Grasp mail pieces	5	10.8	54.0
C				G2		Regrasp mail pieces	5	5.6	28.0
				MA	12	Move pieces to/from scale	5	12.9	64.5
				P1SS		Position mail pieces	5	9.1	45.5
				RL		Release mail pieces	5	2.0	10.0
				SSC2		Step back	5	34.1	170.5
				ET		Look to scale display	5	20.0	100.0
				EF		Focus on display	5	7.3	36.5
				READ		Read scale	10	5.1	50.5
C	THE CLERK RECORDS THE WEIGHED TRAY ON FORM.								
C				RD	12	Reach to pencil	1	14.2	14.2
C				G1C3		Grasp pencil	1	10.8	10.8
				G2		Regrasp pencil	1	5.6	5.6
	Reach to form	RA	12	MB	12	Move to form	1	13.4	13.4
	Grasp form	G1A		G2		Regrasp pencil	1	5.6	5.6
				P2NS		Position pencil	1	26.6	26.6
				MC	1	Record hatch mark	1	3.4	3.4
				G2		Regrasp pencil	1	5.6	5.6
				MB	12	Move pencil to desk	1	13.4	13.4
				RL		Release pencil	1	2.0	2.0
C	THE CLERK RUBBER BANDS THE BUNDLE AND PLACES IT ONTO THE NUTTING TRUCK.								
C	Reach to rubber bund	RA	16	RA	16	Reach to bundle	1	11.4	11.4
C	Grasp rubber band	G4C		G1A		Grasp bundle	1	2.0	2.0
	Move rubber band to self	MB	8	MB	8	Move bundle to self	1	10.6	10.6
	Move band to bundle	MB	8	MB	8	Move bundle to band	1	10.6	10.6
				P2NS		Insert bundle into band	1	21.0	21.0
	Regrasp rubber band		G2	G2		Regrasp bundle	1	5.6	5.6
	Apply band to bundle		APB				1	16.2	16.2
				WP		Walk to nutting truck	3	15.0	45.0
				B		Bend to truck	1	29.0	29.0
				MB	12	Move bundle to truck	1	13.5	13.5
				P1SS		Position on truck	1	9.1	9.1
				RL		Release Tray	1	2.0	2.0
				AB		Arise from bend	1	31.9	31.9
C	THE CLERK RETURNS TO APC TO RETRIEVE THE NEXT BUNDLE.								
C				TBC2		Turn to APC	1	37.2	37.2
C				TBC1		Complete turn	1	18.6	18.6
C				WP		Walk to APC	8	15.0	120.0

Total Time Measurement Units (TMUs)

1390.2

WEIGHT AVERAGING METHODS TIME MEASUREMENT (MTM) ANALYSIS DAILY COUNT OF RESIDUE PIECES

	Left Hand Description	LH Notation	Distance	RH Notation	Distance	Right Hand Description	Freq	Unit TMU	Total TMU
C	THE CLERK BEGINS AT THE APC WHERE THE INCOMING MAIL IS STORED. AFTER THE FULL TRAYS AND BUNDLES ARE WEIGHED,								
C	THE REMAINING INDIVIDUAL PIECES ARE COUNTED BY HAND.								
C				TBC2		Turn to APC	1	37.2	37.2
	Reach to tray	RA	16	RA	16	Reach to tray	1	11.4	11.4
	Grasp tray	G1A		G1A		Grasp tray	1	2.0	2.0
	Lift tray	MB	8	MB	8	Lift tray	1	10.6	10.6
	Move to self	MB	8	MB	8	Move to self	1	10.6	10.6
				TBC2		Turn to scale	1	37.2	37.2
	Move tray to scale	MB	12	WP		Walk to scale	5	17.0	85.0
	Position tray on desk	P1SS		MB	12	Move tray to desk	1	13.4	13.4
		RL		P1SS		Position tray on desk	1	9.1	9.1
				RL		Release Tray	1	2.0	2.0
				RB	12	Reach to mail pieces	1	12.9	12.9
				MB	10	Move against tray	1	12.2	12.2
	Reach to first mail piece	RD	12				1	14.2	14.2
	Move finger to next piece	MC	1				42	3.4	142.8
	Regrasp mail piece	G2					42	5.6	235.2
	Release mail piece	RL					42	2.0	84.0
C	THE CLERK RECORDS THE PIECES ON THE FORM.								
C				RD	12	Reach to pencil	1	14.2	14.2
				G1C3		Grasp pencil	1	10.8	10.8
				G2		Regrasp pencil	1	5.6	5.6
	Reach to form	RA	12	MB	12	Move to form	1	13.4	13.4
	Grasp form	G1A		G2		Regrasp pencil	1	5.6	5.6
				P2NS		Position pencil	42	26.6	1117.2
				MC	1	Record hatch mark	42	3.4	142.8
				G2		Regrasp pencil	42	5.6	235.2
				MB	12	Move pencil to desk	1	13.4	13.4
				RL		Release pencil	1	2.0	2.0
C	THE CLERK RUBBER BANDS THE PIECES AND PLACES THEM ONTO THE NUTTING TRUCK.								
C				RA	16	Reach to bundle	1	11.4	11.4
	Reach to rubber bund	RA	16	G1A		Grasp bundle	1	2.0	2.0
	Grasp rubber band	G4C		MB	8	Move bundle to self	1	10.6	10.6
	Move rubber band to self	MB	8	MB	8	Move bundle to band	1	10.6	10.6
	Move band to bundle	MB		P2NS		Insert bundle into band	1	21.0	21.0
				G2		Regrasp bundle	1	5.6	5.6
	Regrasp rubber band	G2					1	16.2	16.2
	Apply band to bundle	APB		WP		Walk to nutting truck	3	15.0	45.0
				B		Bend to truck	1	29.0	29.0
				MB	12	Move bundle to truck	1	13.4	13.4
				P1SS		Position on truck	1	9.1	9.1
				RL		Release Tray	1	2.0	2.0
				AB		Arise from bend	1	31.9	31.9
C	THE CLERK RETURNS TO APC								
C				TBC2		Turn to APC	1	37.2	37.2
				TBC1		Complete turn	1	18.6	18.6
				WP		Walk to APC	8	15.0	120.0

Total Time Measurement Units (TMUs)

2663.6

WEIGHT AVERAGING METHODS TIME MEASUREMENT (MTM) ANALYSIS
DAILY TEARDOWN

	<u>Left Hand Description</u>	<u>LH Notation</u>	<u>Distance</u>	<u>RH Notation</u>	<u>Distance</u>	<u>Right Hand Description</u>	<u>Freq</u>	<u>Unit TMU</u>	<u>Total TMU</u>
C	THE CLERK MOVES THE NUTTING TRUCK WITH COUNTED MAIL TO THE ELEVATOR.								
C				TBC2		Turn toward nutting truck	1	37.2	37.2
C	Grasp nutting truck	G1A		G1A		Grasp nutting truck	1	2.0	2.0
	Move to start truck	MB	12	MB	12	Move to start truck	1	13.4	13.4
	Regrasp truck	G2		G2		Regrasp truck	1	5.6	5.6
				WPO		Move truck to elevator	30	17.0	510.0
	Position truck	MB	12	MB	12	Position Truck	2	13.4	26.8
				TBC1		Turn to APC	1	18.6	18.6
				TBC2		Complete turn	1	37.2	37.2
				WP		Walk to APCs	25	15.0	375.0
C	THE CLERK MOVES THE APCS BACK TO THE STAGING AREA.								
C				TBC2		Turn to APC	2	37.2	74.4
	Reach to gate	RA	12	RA	12	Reach to gate	2	9.6	19.2
	Pull out gate	MB	10	MB	10	Pull out gate	2	12.2	24.4
	Move gate to vertical	MA	16	MA	16	Move gate to vertical	2	16.0	32.0
	Regrasp gate	G2		G2		Regrasp gate	2	5.6	11.2
	Snap gate in place	APB		APB		Snap gate in place	2	16.2	32.4
	Reach to APC	RA	12	RA	12	Reach to APC	2	9.6	19.2
	Grasp APC	G1C2		G1C2		Grasp APC	2	8.7	17.4
	Regrasp APC	G2		G2		Regrasp APC	2	5.6	11.2
				WPO		Move APC to staging area	60	17.0	1020.0
				WPO		Position APC	12	17.0	204.0
	Finalize Alignment	MC	12	MC	12	Finalize Alignment	2	15.2	30.4
				TBC2		Turn to scale	2	37.2	74.4
				TBC1		Complete turn	2	18.6	37.2
				WPO		Walk to workstation	50	15.0	750.0
C	THE CLERK DEACTIVATES SCALE, RETRIEVES THE DOCUMENTATION, AND RETURNS TO POSTAGE DUE AREA.								
C				WP		Walk to scale	3	15.0	45.0
C				TBC2		Turn to desktop	1	37.2	37.2
				RA	14	Reach to scale button	1	10.5	10.5
				APB		Deactivate	1	16.2	16.2
	Reach to form	RA	12				1	9.6	9.6
	Grasp form	G1B					1	3.5	3.5
	Regrasp form	G2					1	5.6	5.6
	Lift form	MB	12				1	13.4	13.4
				RA	14	Reach to pencil	1	10.5	10.5
				G1C3		Grasp pencil	1	10.8	10.8
				MB	8	Lift pencil	1	10.6	10.6
				G2		Regrasp pencil	1	5.6	5.6
				MB	12	Move pencil to self	1	13.4	13.4
				TBC2		Turn to postage due area	1	37.2	37.2
				WP		Walk to postage due area	40	15.0	600.0
				TBC2		Turn to desktop	1	37.2	37.2
	Place pencil on desktop	MA	14				1	14.4	14.4
	Release paper	RL					1	2.0	2.0
				MA	14	Place pencil on paper	1	14.4	14.4
				RL		Release pencil	1	2.0	2.0

Total Time Measurement Units (TMUs)

4282.3

Left Hand Description		LH Notation	Distance	RH Notation	Distance	Right Hand Description	Freq	Unit TMU	Total TMU
THE CLERK COUNTS 1300 PIECES IN A TRAY AND WEIGHS TO VERIFY.									
				RB	12	Reach to mail pieces	1	12.9	12.9
				MB	10	Move against tray	1	12.2	12.2
Reach to first mail piece	RD	12					1	14.2	14.2
Move finger to next piece	MC	1					1300	3.4	4420.0
Regrasp mail piece	G2						1300	5.6	7280.0
Release mail piece	RL						1300	2.0	2600.0
				G2		Regrasp mail in tray	1	5.6	5.6
Reach to other mail pieces	RA	12					3	9.6	28.8
Grasp pieces	G1C3						3	10.8	32.4
Regrasp pieces	G2						3	5.6	16.8
Move to tray	MB	10		G2		Regrasp mail in tray	3	12.2	36.6
Position in tray	P2NS						3	26.6	79.8
Insert into tray	APB						3	16.2	48.6
				SSC2		Step back	3	34.1	102.3
				ET		Look to scale display	3	20.0	60.0
				EF		Focus on display	3	7.3	21.9
				READ		Read scale	6	5.1	30.3
THE CLERK RECORDS THE SCALE READING ON THE FORM.									
				RD	12	Reach to pencil	1	14.2	14.2
				G1C3		Grasp pencil	1	10.8	10.8
				G2		Regrasp pencil	1	5.6	5.6
Reach to form	RA	12		MB	12	Move to form	1	13.4	13.4
Grasp form	G1A			G2		Regrasp pencil	1	5.6	5.6
				P2NS		Position pencil	1	26.6	26.6
				MC	1	Record reading	10	3.4	34.0
				G2		Regrasp pencil	10	5.6	56.0
				MB	12	Move pencil to desk	1	13.4	13.4
				RL		Release pencil	1	2.0	2.0
THE CLERK COUNTS 100 PIECES FROM TRAY AND WEIGHS TO VERIFY.									
				RB	12	Reach to mail pieces	1	12.9	12.9
				MB	10	Move against tray	1	12.2	12.2
Reach to first mail piece	RD	12					1	14.2	14.2
Move finger to next piece	MC	1					100	3.4	340.0
Regrasp mail piece	G2						100	5.6	560.0
Release mail piece	RL						100	2.0	200.0
Regrasp tray	G2								
				G1C1		Grasp bundle of mail	1	7.3	7.3
				D2		Disengage mail pieces	1	11.8	11.8
				MB	10	Move bundle to scale	1	12.2	12.2
				P1SS		Position bundle on scale	1	9.1	9.1
				RL		Release bundle	1	2.0	2.0
				SSC2		Step back	1	34.1	34.1
				ET		Look to scale display	1	20.0	20.0
				EF		Focus on display	1	7.3	7.3
				READ		Read scale	2	5.1	10.1
				RA	16	Reach to bundle	1	11.4	11.4
				G1C1		Grasp bundle	1	7.3	7.3
Regrasp letters	G2			MB	8	Move bundle to tray	1	10.6	10.6
Move letters against side	MA	3		MB	2	Align bundle	1	5.6	5.6
							1	4.9	4.9
				P3NS		Insert letters in tray	1	47.8	47.8
Total Time Measurement Units (TMUs)									16324.8