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USPS LR-J-180 / Docket R2001-1
Parcel Post Mail Processing Costs Provided in
Response to UPS/USPS-T25-5(g)

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I. Introduction

This library references is being provided in response to UPS/USPS-T25-5(g). It provides Parcel Post costs by MODS, BMC, and non-MODS pools broken out by basic function in a manner similar that provided in LR-J-65, for BPM in the existing docket. The mail processing costs are estimated using the proposed Postal Service cost distribution method. The Postal Service's proposed mail processing cost method includes so-called "migrated" tallies at MODS 1&2 offices in the mail processing cost pools, whereas the Commission's method assigns such tallies to CRA Cost Segment 3.2 or 3.3 based on the tally operation code (IOCS field F260). Thus, a few tallies will be classified as mail processing under the Postal Service's method but not the Commission's method.

The first study estimates clerk and mailhandler mail processing volume-variable costs by IOCS "basic function" (IOCS field F261) and cost pool for Parcel Post. The second study separates mail processing volume-variable costs for Parcel Post into IOCS operation 07 (acceptance) costs and all other costs. The third study separates the estimated Parcel Post mail processing volume-variable costs into costs incurred at Auxiliary Service Facilities (ASFs) and costs incurred at Non-ASF facilities.

II. Costs by Basic Function

The mail processing volume-variable costs by basic function for Parcel Post are estimated using FORTRAN versions of the SAS programs used by witness Van-Ty-Smith (USPS-T-13) to implement the proposed Postal Service cost methodology for BY2000. The FORTRAN programs compute and report mail processing volume-variable cost by basic function and subclass. This is the same methodology used for Bound Printed Matter in USPS LR-J-65. This approach is different from the Docket No.R2000- study (USPS LR-I-103), which used only the IOCS direct tallies¹ for Parcel Post in each cost pool to distribute mail processing volume-variable costs to basic function within each cost pool. The current methodology uses all IOCS tallies

¹ "Direct" tallies are tallies for which subclass information was recorded. IOCS tallies are dollar-weighted (using IOCS field F9250) unless otherwise noted.

(including mixed-mail and not-handling) in a way consistent with the Postal Service's proposed cost distribution procedure.

The Parcel Post volume variable mail processing cost estimates are presented in the worksheets named "Summary" found in Microsoft Excel workbook "PP00BF.xls". The summary page is shown in Table 1. The BY2000 mail processing volume-variable costs by basic function for each cost pool are shown in columns (1) through (4). Test year piggyback factors and cost ratios by cost pool (found in worksheet 'pbfact') are applied to convert base year costs to test year costs, which are reported in columns (6) to (9). The cost estimates are broken down further between drop shipped mail processing volume-variable costs (worksheet 'Drop') and non-dropped shipped mail processing volume-variable costs (worksheet 'No Drop'). Both of these worksheets have the same format as the 'Summary' worksheet and are located in workbook "PP00BF.xls"

III. Costs for IOCS Operation 07

This part of the study estimates mail processing volume-variable costs for IOCS operation 07 (platform acceptance) versus other operations for Parcel Post, which are estimated using the methodology described above for the basic function cost estimates. Parcel Post mail processing volume-variable costs are reported in the Microsoft Excel workbook "PP00op7.xls" in the 'Summary' worksheet. The summary page is shown in Table 2. The BY2000 volume-variable costs by operation category for each cost pool are shown in columns (1) and (2). Test year piggyback factors and cost ratios by cost pool (found in worksheet 'pbfact') are applied to convert base year costs to test year costs, which are reported in columns (4) and (5). In addition, these costs are further broken down by both 1) with and without basic function detail, and by 2) dropship and non-dropship. All four of these worksheets have the same format as the 'Summary' worksheet and are located in the workbook "PP00op7.xls".

IV. Costs for ASFs

Mail processing volume-variable costs for Parcel Post at Auxiliary Service Facilities (ASF) are also developed similarly to the volume-variable costs by basic function. A site is determined to be an ASF by the finance number of the site (IOCS field F2) within the IOCS record. Once the

facility type is determined, costs are estimated using the cost methodology described above in Section II. Parcel Post mail processing costs are reported in the Microsoft Excel workbook "PP00ASF.xls" in the 'Summary' worksheet. The summary page is shown in Table 3. The BY2000 volume-variable costs by ASF category and basic function for each cost pool are shown in columns (1) through (8). Test year piggyback factors and cost ratios by cost pool (found in worksheet 'pbfact') are applied to convert base year costs to test year costs, which are reported in columns (10) through (17). As with the Parcel Post basic function analysis, the cost estimates are broken down further between drop shipped volume-variable costs (worksheet 'Drop') and non-dropped shipped volume-variable costs (worksheet 'No Drop'). Both of these worksheets have the same format as the 'Summary' worksheet located in the workbook "PP00ASF.xls".

V. Data Processing

The IOCS data processing is performed on a Data General AViiON minicomputer with four Pentium Pro microprocessors and one gigabyte of RAM, running the DGUX version of UNIX operating system. Source programs ending with a ".f" are FORTRAN programs. The remaining processing is performed on PCs running the Windows NT 4 and Windows 2000 operating systems and Microsoft Office.

Tables

Table 1

Development of Standard (B) Parcel Post Mail Processing Costs (\$000)

Group	Pool	Base Year (BY00) Volume Variable Costs (\$000) by Basic Function					Test Year (TY03) Volume Variable Costs (\$000) by Basic Function (Piggyback and Premium Pay Factors Applied)				
		(1) Outgoing	(2) Incoming	(3) Transit	(4) Other	(5) Total	(6) Outgoing	(7) Incoming	(8) Transit	(9) Other	(10) Total
1 MODS	BCS/	106	82	0	43	232	188	146	0	77	411
2 MODS	BCS/DBCS	32	36	0	16	84	62	69	0	31	162
3 MODS	OCR/	7	0	0	2	9	16	1	0	4	20
4 MODS	FSM/	113	102	0	45	260	184	165	1	73	423
5 MODS	FSM/1000	15	90	0	22	127	25	145	0	35	206
6 MODS	LSM/	0	0	0	0	0	0	0	0	0	1
7 MODS	MECPARC	423	593	0	308	1,321	629	881	0	456	1,966
8 MODS	SPBS OTH	1,533	1,786	8	872	4,199	2,550	2,969	13	1,450	6,982
9 MODS	SPBSPRIO	802	616	2	311	1,731	1,310	1,006	4	508	2,828
10 MODS	1SACKS_M	1,348	1,041	19	203	2,612	2,467	1,905	36	372	4,779
11 MODS	MANF	54	179	0	55	289	75	249	0	77	401
12 MODS	MANL	78	162	0	60	301	106	220	0	82	408
13 MODS	MANP	1,214	2,880	28	1,139	5,260	1,808	4,288	42	1,695	7,833
14 MODS	PRIORITY	248	79	1	88	416	360	121	1	135	636
15 MODS	LD15	0	0	0	0	0	0	0	0	0	0
16 MODS	1BULK PR	12	17	0	25	54	20	27	0	40	87
17 MODS	1CANCMPP	657	181	4	319	1,160	1,404	387	8	682	2,482
18 MODS	1OPBULK	1,129	1,029	18	829	3,005	1,731	1,577	27	1,270	4,605
19 MODS	1OPREF	2,343	3,096	108	1,873	7,419	3,616	4,778	166	2,891	11,450
20 MODS	1PLATFRM	8,378	8,959	1,709	4,068	23,114	13,752	14,706	2,805	6,678	37,942
21 MODS	1POUCHNG	2,427	1,069	42	1,109	4,648	3,847	1,895	67	1,759	7,388
22 MODS	1SACKS_H	4,098	5,472	367	704	10,641	6,475	8,645	580	1,112	16,812
23 MODS	1SCAN	162	33	9	124	328	319	64	18	245	646
24 MODS	BUSREPLY	231	322	6	219	778	334	465	9	316	1,125
25 MODS	EXPRESS	4	1	0	2	8	7	2	0	3	12
26 MODS	MAILGRAM	0	0	0	0	0	0	0	0	0	0
27 MODS	REGISTRY	93	139	10	117	358	145	217	15	183	560
28 MODS	REWRAP	120	59	0	108	287	176	87	0	158	421
29 MODS	1EEQMT	58	23	6	190	278	93	37	10	304	443
30 MODS	1MISC	317	343	30	160	851	495	535	47	249	1,326
31 MODS	1SUPPORT	190	205	18	96	509	296	320	28	149	793
32 MODS	INTL /MP	218	53	135	119	526	344	84	213	188	829
33 MODS	LD41	48	66	0	31	145	89	124	0	58	271
34 MODS	LD42	0	0	0	0	1	0	0	0	1	1
35 MODS	LD43	1,070	11,386	15	3,704	16,174	1,509	16,059	21	5,224	22,813
36 MODS	LD44	17	370	0	123	510	24	516	1	171	711
37 MODS	LD48 EXP	0	0	0	0	0	0	0	0	0	0
38 MODS	LD48 OTH	194	905	1	327	1,427	299	1,390	2	502	2,193
39 MODS	LD48_ADM	183	850	1	307	1,341	281	1,306	2	471	2,060
40 MODS	LD48_SSV	68	378	3	330	780	105	579	5	506	1,195
41 MODS	LD49	74	3	0	29	106	114	4	1	46	165
42 MODS	LD79	84	19	2	127	231	140	32	3	211	385
43 BMC	Platform BMC	21,235	18,717	2,956	7,261	50,168	37,583	33,126	5,232	12,850	88,792
44 BMC	Allied Oth	31,560	20,467	996	2,494	55,517	46,388	30,083	1,464	3,666	81,601
45 BMC	PSM	8,301	7,541	0	0	15,842	22,244	20,206	0	0	42,449
46 BMC	SSM	3,724	1,388	0	0	5,112	7,665	2,856	0	0	10,521
47 BMC	SPBS BMC	3,945	1,200	0	0	5,146	6,440	1,959	0	0	8,399
48 BMC	NMO	18,224	4,979	0	0	23,203	28,324	7,738	0	0	36,061
49 Non-MODS	Allied	4,570	8,708	307	1,132	14,717	6,678	12,728	449	1,655	21,511
50 Non-MODS	Auto/Mech	10	185	0	1	196	19	347	0	1	368
51 Non-MODS	Express Mail	0	0	0	0	0	0	0	0	0	0
52 Non-MODS	Manual Flat	57	764	1	1	822	78	1,053	1	1	1,133
53 Non-MODS	Manual Letter	110	118	0	0	228	147	158	0	1	306
54 Non-MODS	Manual Parcel	2,556	24,210	85	149	27,000	3,696	35,009	123	215	39,042
55 Non-MODS	Registry	13	72	2	42	129	20	114	3	87	204
56 Non-MODS	Miscellaneous	122	945	23	1,003	2,093	185	1,433	36	1,521	3,174
Total		122,578	131,915	6,915	30,287	291,895	204,881	212,608	11,432	48,390	477,313
Summary by Offic MOD 1&2 Offices		28,151	42,622	2,545	18,204	91,522	45,413	65,800	4,125	28,413	143,751
Type:											
BMC		86,990	54,291	3,952	9,755	154,988	148,644	95,967	6,696	16,516	267,824
Non-MODs		7,437	35,002	418	2,328	45,185	10,824	50,841	811	3,461	65,738
Total		122,578	131,915	6,915	30,287	291,895	204,881	212,608	11,432	48,390	477,313
Total excluding BMCs		35,588	77,625	2,963	20,532	136,707	56,238	116,641	4,736	31,874	209,489

Table 2

Development of Standard (B) Parcel Post Mail Processing Costs (\$000)

Group	Pool	Base Year (BY00) Volume Variable Costs (\$000)			Test Year (TY03) Volume Variable Costs (\$000) (Piggyback and Premium Pay Factors Applied)		
		(1) All Other	(2) OP 07	(3) Total	(4) All Other	(5) OP 07	(6) Total
1 MODS	BCS/	232	0	232	411	0	411
2 MODS	BCS/DBCS	84	0	84	162	0	162
3 MODS	OCR/	9	0	9	20	0	20
4 MODS	FSM/	260	0	260	423	0	423
5 MODS	FSM/1000	127	0	127	206	0	206
6 MODS	LSM/	0	0	0	1	0	1
7 MODS	MECPARC	1,321	0	1,321	1,986	0	1,986
8 MODS	SPBS OTH	4,197	2	4,199	6,978	3	6,982
9 MODS	SPBSPRIO	1,730	1	1,731	2,828	2	2,828
10 MODS	1SACKS_M	2,611	1	2,612	4,777	2	4,779
11 MODS	MANF	289	0	289	401	0	401
12 MODS	MANL	301	0	301	408	0	408
13 MODS	MANP	5,244	16	5,260	7,808	24	7,833
14 MODS	PRIORITY	415	1	416	637	1	638
15 MODS	LD15	0	0	0	0	0	0
16 MODS	1BULK PR	50	3	54	81	5	87
17 MODS	1CANCMPP	1,159	1	1,160	2,479	2	2,482
18 MODS	1OPBULK	2,912	92	3,005	4,464	142	4,905
19 MODS	1OPPREF	7,389	30	7,419	11,404	46	11,450
20 MODS	1PLATFRM						
	Outgoing	7,901	478	8,378	12,971	782	13,752
	Incoming	8,873	86	8,959	14,566	141	14,706
	Transit	1,690	19	1,709	2,774	32	2,805
	Other	4,028	40	4,068	6,613	66	6,678
	Total Platform	22,492	621	23,114	36,922	1,020	37,942
21 MODS	1POUCHNG	4,635	13	4,648	7,347	21	7,368
22 MODS	1SACKS_H	10,586	55	10,641	16,725	88	16,812
23 MODS	1SCAN	327	1	328	644	2	646
24 MODS	BUSREPLY	778	0	778	1,125	0	1,125
25 MODS	EXPRESS	8	0	8	12	0	12
26 MODS	MAILGRAM	0	0	0	0	0	0
27 MODS	REGISTRY	358	1	358	559	1	560
28 MODS	REWRAP	287	0	287	421	0	421
29 MODS	1EEQMT	277	1	278	443	1	443
30 MODS	1MISC	840	12	851	1,308	16	1,328
31 MODS	1SUPPORT	502	7	509	782	11	793
32 MODS	INTL AMP	524	2	526	826	3	829
33 MODS	LD41	145	0	145	271	0	271
34 MODS	LD42	1	0	1	1	0	1
35 MODS	LD43	16,157	17	16,174	22,789	23	22,813
36 MODS	LD44	510	0	510	711	0	711
37 MODS	LD48 EXP	0	0	0	0	0	0
38 MODS	LD48 OTH	1,426	1	1,427	2,191	2	2,193
39 MODS	LD48_ADM	1,339	1	1,341	2,058	2	2,060
40 MODS	LD48_SSV	780	0	780	1,194	1	1,195
41 MODS	LD49	106	0	106	165	0	165
42 MODS	LD79						
	Outgoing	22	62	84	36	103	140
	Incoming	3	16	19	5	27	32
	Transit	0	1	2	0	2	3
	Other	101	26	127	168	43	211
	Total LD79	125	106	231	209	176	385
43 BMC	Platform BMC						
	Outgoing	20,885	360	21,235	36,963	620	37,583
	Incoming	18,590	127	18,717	32,901	225	33,126
	Transit	2,956	0	2,956	5,232	0	5,232
	Other	7,007	253	7,261	12,402	448	12,850
	Total BMC Ptfm	49,438	731	50,168	87,499	1,293	88,792
44 BMC	Allied Oth	55,487	29	55,517	81,558	43	81,601
45 BMC	PSM	15,842	0	15,842	42,449	0	42,449
46 BMC	SSM	5,112	0	5,112	10,521	0	10,521
47 BMC	SPBS BMC	5,146	0	5,146	8,399	0	8,399
48 BMC	NMO	23,203	0	23,203	36,061	0	36,061
49 Non-MOD: Allied							
	Outgoing	4,060	509	4,570	5,935	744	6,679
	Incoming	8,548	160	8,708	12,495	233	12,728
	Transit	298	10	307	435	14	449
	Other	869	263	1,132	1,271	384	1,655
	Total Allied	13,778	941	14,717	20,135	1,378	21,511
50 Non-MOD: Auto/Mech		195	1	196	366	1	368
51 Non-MOD: Express Mail		0	0	0	0	0	0
52 Non-MOD: Manual Flat		822	0	822	1,133	1	1,133
53 Non-MOD: Manual Letter		228	0	228	305	0	306
54 Non-MOD: Manual Parcel		26,966	33	27,000	38,994	48	39,042
55 Non-MOD: Registry		129	0	129	204	0	204
56 Non-MOD: Miscellaneous		2,093	0	2,093	3,174	0	3,174
	Total	288,974	2,722	291,695	472,954	4,359	477,313
Summary by Offi Type:	MOD 1&2 Offices	90,536	966	91,522	142,155	1,596	143,751
	BMC	154,228	790	154,988	266,487	1,336	267,824
	Non-MODs	44,209	976	45,185	64,312	1,426	65,738
	Total	288,974	2,722	291,695	472,954	4,359	477,313
	Total excluding BMCs	134,746	1,962	136,707	206,467	3,022	209,489

Table 3

Development of Standard (B) Parcel Post Mail Processing Costs (\$000)

Group	Pool	Base Year (BY00) Volume Variable Costs (\$000) by Basic Function				Test Year (TY03) Volume Variable Costs (\$000) by Basic Function (Pluggback and Premium Pay Factors Applied)				Grand Total	(17)	(18)
		Non-ASF		ASF		Non-ASF		ASF				
		Outgoing	Incoming	Transit	Other	Outgoing	Incoming	Transit	Other			
1 MOOS	BGS/	105	81	0	43	2	1	0	232	0	0	411
2 MOOS	BGS/BCBS	32	36	0	16	0	0	0	84	0	0	182
3 MOOS	OCB/	7	0	0	2	0	0	0	9	0	0	20
4 MOOS	FSM/	113	102	0	45	0	0	0	260	0	0	423
5 MOOS	FSM/1000	15	90	0	21	0	0	0	127	0	0	206
6 MOOS	LSM/	0	0	0	0	0	0	0	0	0	0	1
7 MOOS	MEGPARC	423	593	0	308	0	0	0	1,321	0	0	1,966
8 MOOS	SPBS OTH	1,494	1,745	8	863	40	41	0	4,199	13	1,434	6,802
9 MOOS	SPBSRPO	763	614	2	303	39	1	0	1,247	1,004	63	2,822
10 MOOS	15SACKS_M	1,343	1,040	19	203	6	1	0	2,612	2,457	10	4,779
11 MOOS	MANF	54	179	0	55	0	0	0	289	75	249	401
12 MOOS	MANL	78	162	0	60	0	0	0	301	106	220	481
13 MOOS	MANP	1,158	2,868	28	1,139	56	11	0	5,260	1,724	42	7,833
14 MOOS	PRIORITY	248	79	0	87	0	0	0	360	121	1	638
15 MOOS	LD15	0	0	0	0	0	0	0	0	0	0	0
16 MOOS	BLK PR	12	17	0	25	0	0	0	20	27	0	87
17 MOOS	ICANOMP	656	181	4	318	1	0	0	1,169	1,403	367	2,482
18 MOOS	TOPBLK	1,125	1,025	16	820	5	4	2	3,065	1,724	1,571	4,605
19 MOOS	TOPREF	2,335	3,089	108	1,864	7	6	9	7,419	3,604	4,766	11,450
20 MOOS	1PLATFRM	8,337	8,921	1,702	4,049	41	38	1	23,114	13,665	14,644	37,942
21 MOOS	1POUCHING	2,418	1,089	41	1,100	10	1	9	4,848	3,832	1,694	7,269
22 MOOS	15SACKS_H	4,078	5,413	387	703	23	56	0	10,641	6,439	8,552	18,812
23 MOOS	15SCAN	160	33	9	124	2	0	0	328	316	64	646
24 MOOS	BUSREPLY	231	320	6	219	0	1	0	778	334	463	1,125
25 MOOS	EXPRESS	4	1	0	2	0	0	0	7	2	0	12
26 MOOS	MAILGRAM	0	0	0	0	0	0	0	0	0	0	0
27 MOOS	REGISTRY	92	138	10	117	0	0	0	359	144	215	560
28 MOOS	REWRAP	120	59	0	105	0	0	0	287	176	87	421
29 MOOS	1ECONIT	58	23	6	186	0	0	4	278	93	37	449
30 MOOS	1MISC	315	341	30	159	2	0	0	851	490	532	1,326
31 MOOS	1SUPPORT	186	204	16	95	3	1	0	569	333	316	783
32 MOOS	INTL_MP	218	53	135	119	0	0	0	526	344	84	829
33 MOOS	LD41	48	68	0	30	0	0	0	145	89	124	271
34 MOOS	LD42	0	0	0	0	0	0	0	0	0	0	0
35 MOOS	LD43	1,047	11,272	15	3,611	23	114	0	16,174	1,478	18,998	22,813
36 MOOS	LD44	18	368	0	122	1	2	0	510	22	513	711
37 MOOS	LD48 EXP	0	0	0	0	0	0	0	0	0	0	0
38 MOOS	LD48 OTH	191	696	1	319	3	9	0	1,427	283	1,377	2,183
39 MOOS	LD48 ADM	179	842	1	300	3	8	0	7	1,341	278	2,060
40 MOOS	LD48 SSV	68	372	3	324	0	6	0	7	780	104	1,185
41 MOOS	LD49	73	3	0	29	0	1	0	106	113	4	185
42 MOOS	LD79	83	18	2	123	1	1	0	231	138	30	385
43 BMC	Priform BMC	21,235	18,717	2,955	7,261	0	0	0	50,169	37,583	33,126	88,792
44 BMC	Allied Oth	31,560	20,467	996	2,494	0	0	0	55,317	46,386	30,083	81,901
45 BMC	PSM	8,301	7,541	0	0	0	0	0	15,942	22,244	20,206	42,449
46 BMC	SSM	3,724	1,388	0	0	0	0	0	5,112	7,665	2,856	10,521
47 BMC	SPBS BMC	3,945	1,200	0	0	0	0	0	5,146	6,440	1,959	8,399
48 BMC	NMO	18,224	4,979	0	0	0	0	0	23,203	28,324	7,738	36,051
49 Non-MODS	Allied	4,570	6,708	307	1,132	0	0	0	14,717	6,678	12,728	21,511
50 Non-MODS	AutoMech	10	185	0	1	0	0	0	19	347	0	368
51 Non-MODS	Express Mail	0	0	0	0	0	0	0	0	0	0	0
52 Non-MODS	Manual Flat	57	764	1	1	0	0	0	822	78	1,053	1,133
53 Non-MODS	Manual Letter	110	118	0	0	0	0	0	228	147	158	306
54 Non-MODS	Manual Parcel	2,556	24,210	65	149	0	0	0	27,000	3,696	35,009	39,042
55 Non-MODS	Registry	13	72	2	42	0	0	0	20	114	3	204
56 Non-MODS	Miscellaneous	122	945	23	1,003	0	0	0	185	1,433	36	3,174
Total		122,311	131,605	6,904	30,088	287	310	11	291,695	204,458	212,135	477,319
Summary by Oth MOD 1A2 Office Type:		27,864	42,313	2,534	16,005	267	310	11	91,522	44,990	65,327	143,751
BMC		86,990	54,291	3,952	9,755	0	0	0	154,968	148,644	95,967	267,824
Non-MODs		7,437	35,002	418	2,328	0	0	0	45,185	10,824	50,841	65,736
Total		122,311	131,605	6,904	30,088	267	310	11	291,695	204,458	212,135	477,319
Total excluding B		35,321	77,315	2,952	20,334	267	310	11	136,707	55,815	116,166	208,489

Appendix A: Program Documentation

The following are descriptions of the programs used to estimate the Parcel mail processing volume-variable costs for clerks and mailhandlers. All programs were previously filed in LR-J-65.

I. Preparation of the IOCS Data

The following programs are used to extract, code, and process the 2000 IOCS data in preparation for Parcel Post cost estimations.

Program: **cadoc00by_rep.f** - Divides IOCS clerk/mailhandler tallies by office group (MODS 1&2, BMCs, Non-MODS) and assigns the tallies to cost pools

Input: **FY00 IOCS Data** (USPS LR-J-10)
mods_usps.00 - List of MODS 1&2 finance numbers used to identify MODS 1&2 offices (USPS LR-J-55)

Output: **mods12_mp00by_new.dat** – IOCS mail processing tallies for MODS 1&2 offices
mods12_aw00by_new.dat – IOCS administrative and window service tallies for MODS 1&2 offices
bmcs_mp00by_new.dat – IOCS mail processing tallies for BMCs
bmcs_aw00by_new.dat – IOCS administrative and window service tallies for BMCs
nonmods_mp00by_new.dat – IOCS mail processing tallies for Non-MODS offices
nonmods_aw00by_new.dat – IOCS administrative and window service tallies for Non-MODS offices
nonmods_op88_new.dat – IOCS expedited delivery tallies for Non-MODS offices

II. Clerk/Mailhandler Mail Processing Volume-Variable Cost Estimation

The following programs use the Postal Service cost estimation methodology (USPS-T-13) to estimate mail processing volume-variable costs for clerks and mailhandlers by cost pool, subclass, shape, and basic function/ASF/operation categories.

Program: **modsproc00_cat.f** – Estimates mail processing volume-variable costs for MODS 1&2 offices by activity code, cost pool, and basic function/ASF/operation category

Input: **mods12_mp00by_new.dat** – IOCS mail processing tallies for MODS 1&2 offices
iocs2000.h – Declaration of IOCS tally fields
asf.fin.srt – List of ASF finance numbers
activity00.cra.wgt – List of the direct and class specific mixed activity codes
mixclass.intl – List of class specific mixed mail activity codes
mxmail.intl.dat – Maps the direct activity codes to their respective class specific mixed mail activity codes
costpools.00.619 - List of MODS 1&2 cost pool dollars and corresponding variability factors used in the cost distribution for MODS 1&2 offices (USPS LR-J-55)
windk_dbmc.00 – BY00 CRA Cost Segment 3.2 costs by activity code and basic function/ASF/operation category for 'function 4 support' cost pool distribution (USPS LR-J-55) – See Section IV of Appendix A for creation of these costs

Output: **mods002by_cat.data** – Estimated mail processing volume-variable costs by cost pool, activity code, and basic function/ASF/operation category

Program: **sumclass_mod_cat.f** - Rolls up the output from modsproc00_cat.f from activity code to subclass by cost pool and basic function/ASF/operation category

Input: **mods002by_cat.data** – Estimated mail processing volume-variable costs by cost pool, activity code, and basic function/ASF/operation category
costpools.00.619 - List of cost pools for MODS 1&2 offices (USPS LR-J-55)
activity00.cra.wgt – List of the direct and class specific mixed activity codes
classes_intl.cra.old - List of original CRA subclasses
classmap_intl.old - Maps IOCS activity codes to the appropriate CRA subclass

Output: **mod002_pp_cat.csv** – Estimated mail processing volume-variable costs for Parcel Post and BPM by cost pool and basic function/ASF/operation category

Program: **bmcproc00_cat.f** – Estimates mail processing volume-variable costs for BMCs by activity code, cost pool, and basic function/ASF/operation category

Input: **bmcs_mp00by_new.dat** – IOCS mail processing tallies for BMCs
iocs2000.h – Declaration of IOCS tally fields
asf.fin.srt – List of ASF finance numbers
activity00.cra.wgt – List of the direct and class specific mixed activity codes
mixclass.intl – List of class specific mixed mail activity codes
mxmail.intl.dat – Maps the direct activity codes to their respective class specific mixed mail activity codes
costpools.00.bmc.619 – List of BMC cost pool dollars and corresponding variability factors used in the cost distribution for BMCs (USPS LR-J-55)

Output: **bmc003by.data** – Estimated mail processing volume-variable costs by cost pool, activity code, and basic function/ASF/operation category

Program: **sumclass_bmc_cat.f** - Rolls up the output from **bmcproc00_cat.f** from activity code to subclass by cost pool and basic function/ASF/operation category

Input: **bmc003by.data** – Estimated mail processing volume-variable costs by cost pool, activity code, and basic function/ASF/operation category
costpools.00.bmc.619 – List of cost pools for BMCs (USPS LR-J-55)
activity00.cra.wgt – List of the direct and class specific mixed activity codes
classes_intl.cra.old - List of original CRA subclasses
classmap_intl.old - Maps IOCS activity codes to the appropriate CRA subclass

Output: **bmc002_pp_cat.csv** – Estimated mail processing volume-variable costs for Parcel Post by cost pool and basic function/ASF/operation category

Program: **nmodproc00_cat.f** – Estimates mail processing volume-variable costs for Non-MODS offices by activity code, cost pool, and basic function/ASF/operation category

Input: **nonmods_mp00by_new.dat** – IOCS mail processing tallies for Non-MODS offices
iocs2000.h – Declaration of IOCS tally fields
asf.fin.srt – List of ASF finance numbers
activity00.cra.wgt – List of the direct and class specific mixed activity codes
mixclass.intl – List of class specific mixed mail activity codes
mxmail.intl.dat – Maps the direct activity codes to their respective class specific mixed mail activity codes
costpools.00.nmod.619 – List of Non-MODS office cost pool dollars and corresponding variability factors used in the cost distribution for Non-MODS offices (USPS LR-J-55)

Output: **nmod002by_cat.data** – Estimated mail processing volume-variable costs by cost pool, activity code, and basic function/ASF/operation category

Program: **sumclass_nmod_cat.f** - Rolls up the output from nmodproc00_cat.f from activity code to subclass by cost pool and basic function/ASF/operation category

Input: **nmod002by_cat.data** – Estimated mail processing volume-variable costs by cost pool, activity code, and basic function/ASF/operation category
costpools.00.nmod.619 – List of cost pools for Non-MODS offices (USPS LR-J-55)
activity00.cra.wgt – List of the direct and class specific mixed activity codes
classes_intl.cra.old - List of original CRA subclasses
classmap_intl.old - Maps IOCS activity codes to the appropriate CRA subclass

Output: **nmod002_pp_cat.csv** – Estimated mail processing volume-variable costs for Parcel Post and BPM by cost pool and basic function/ASF/operation category

Workbook: **DBMC Costs BY00 New.xls** – Summarizes the clerk/mailhandler mail processing volume-variable cost estimates by cost pool and basic function/ASF/operation category for Parcel Post. This file has a separate worksheet for each office type (MODS 1&2, BMCs, and Non-MODs).

Input: **mod002_pp_cat.csv** – Estimated MODs 1&2 mail processing volume-variable costs for Parcel Post and BPM by cost pool and basic function/ASF/operation category
bmc002_pp_cat.csv – Estimated BMC mail processing volume-variable costs for Parcel Post and BPM by cost pool and basic function/ASF/operation category
nmod002_pp_cat.csv – Estimated Non-MODs mail processing volume-variable costs for Parcel Post by cost pool and basic function/ASF/operation category

III. Cost Reports

A. Parcel Post Mail processing volume-variable Costs by Basic Function

Workbook: **PP00bf.xls** – Summarizes clerk/mailhandler mail processing volume-variable costs by cost pool and basic function for Parcel Post. Test year piggyback factors and cost ratios are applied to generate test year Parcel Post costs by cost pool and basic function.

Input: **DBMC Costs BY00 New.xls** - Provides BY00 clerk/mailhandler mail processing volume-variable cost estimates by cost pool and basic function/ASF/operation category for Parcel Post
BY00 USPS mail processing volume-variable costs – Parcel Post volume-variable costs for mail processing using the USPS method cost distribution (USPS LR-J-55)
Test Year 03 Piggyback Factors and Cost Ratios – Supplied by witness Smith (USPS LR-J-52)
BY00 USPS Method CRA Segment & Components Report – For Cost Segment 3.1, used to calculate the worksheet adjustment factor (USPS-T-11)

B. Parcel Post Mail processing volume-variable Costs by Operation

Workbook: **LR65PP0700.xls** – Summarizes clerk/mailhandler mail processing volume-variable costs by cost pool and operation 07 (accepting mail on platform) versus all other operations for Parcel Post. Test year piggyback factors and cost ratios are applied to generate test year Parcel Post costs by cost pool and operation category.

Input: **DBMC Costs BY00 New.xls** - Provides BY00 clerk/mailhandler mail processing volume-variable cost estimates by cost pool and basic function/ASF/operation category for Parcel Post
BY00 USPS mail processing volume-variable costs – Parcel Post volume-variable costs for mail processing using the USPS method cost distribution (USPS LR-J-55)
Test Year 03 Piggyback Factors and Cost Ratios – Supplied by witness Smith (USPS LR-J-52)
BY00 USPS Method CRA Segment & Components Report – For Cost Segment 3.1, used to calculate the worksheet adjustment factor (USPS-T-11)

Workbook: **LR65BPM0700.xls** – Summarizes clerk/mailhandler mail processing volume-variable costs by cost pool and operation 07 versus all other operations for BPM. Test year piggyback factors and cost ratios are applied to generate test year BPM costs by cost pool and operation category.

Input: **DBMC Costs BY00 New.xls** - Provides BY00 clerk/mailhandler mail processing volume-variable cost estimates by cost pool and basic function/ASF/operation category for BPM
BY00 USPS mail processing volume-variable costs – BPM volume-variable costs for mail processing using the USPS method cost distribution (USPS LR-J-55)
Test Year 03 Piggyback Factors and Cost Ratios – Supplied by witness Smith (USPS LR-J-52)
BY00 USPS Method CRA Segment & Components Report – For Cost Segment 3.1, used to calculate the worksheet adjustment factor (USPS-T-11)

C. Parcel Post Mail processing volume-variable Costs by Auxiliary Service Facilities (ASF) versus Non-ASF offices

Workbook: **LR65PPASF00.xls** – Summarizes clerk/mailhandler mail processing volume-variable costs by cost pool and ASF versus non-ASF facilities for Parcel Post. Test year piggyback factors and cost ratios are applied to generate test year Parcel Post costs by cost pool and facility category.

Input: **DBMC Costs BY00 New.xls** - Provides BY00 clerk/mailhandler mail processing volume-variable cost estimates by cost pool and basic function/ASF/operation category for Parcel Post
BY00 USPS mail processing volume-variable costs – Parcel Post volume-variable costs for mail processing using the USPS method cost distribution (USPS LR-J-55)
Test Year 03 Piggyback Factors and Cost Ratios – Supplied by witness Smith (USPS LR-J-52)
BY00 USPS Method CRA Segment & Components Report – For Cost Segment 3.1, used to calculate the worksheet adjustment factor (USPS-T-11)

Workbook: **LR65BPMASF00.xls** – Summarizes clerk/mailhandler mail processing volume-variable costs by cost pool and ASF versus non-ASF facilities for BPM. Test year piggyback factors and cost ratios are applied to generate test year BPM costs by cost pool and facility category.

Input: **DBMC Costs BY00 New.xls** - Provides BY00 clerk/mailhandler mail processing volume-variable cost estimates by cost pool and basic function/ASF/operation category for BPM
BY00 USPS mail processing volume-variable costs – BPM volume-variable costs for mail processing using the USPS method cost distribution (USPS LR-J-55)
Test Year 03 Piggyback Factors and Cost Ratios – Supplied by witness Smith (USPS LR-J-52)
BY00 USPS Method CRA Segment & Components Report – For Cost Segment 3.1, used to calculate the worksheet adjustment factor (USPS-T-11)