

LR-KE-J-3

Derivation of Unit Costs from USPS witness Miller's cost models
if non-barcoded letters were prebarcoded and
if prebarcoded letters were not prebarcoded

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Comparison of Miller Models if Machinable Letters Become Prebarcoded

	(1)	(2)	(3)	(4)	(5)
Model	Number of Entering Letters	% Prebarcoded	Letters Entered	Computed Unit Cost	Change In Unit Cost
Miller's Nonstandard SP	7500	0%	Out ISS/RCR	9.483	
Prebarcoded Nonstandard SP	7500	100%	Out Pri Auto	10.985	1.503
Miller's Nonstandard Presorted	1181	0%	Out ISS/RCR		
	4486	0%	Out Pri Auto	7.988	
Prebarcoded Nonstandard Presorted	1181	100%	Out ISS/RCR		
	4486	100%	Inc MMP Auto	8.463	0.475
Miller's BMM Letters	10,000	0%	Out ISS/RCR	4.276	
Prebarcoded BMM Letters	10,000	100%	Out Pri Auto	4.630	0.354
Miller's Mach MAADC-AADC	10,000	0%	Out ISS/RCR	4.289	
Prebarcoded Mach MAADC-AADC	10,000	100%	Out Pri Auto	4.630	0.341
Miller's Machinable Single Piece	10,000	0%	Out ISS/RCR	4.279	
Modified Machinable Single Piece	10,000	100%	Out Pri Auto	4.630	0.351
Miller's Machinable 3D-5D	10,000	0%	Inc ISS/RCR	4.049	
Modified Machinable 3D-5D	10,000	100%	Inc MMP Auto	3.368	-0.681

Conclusion: Prebarcoding should reduce processing costs compared to no prebarcoding. As can be shown here, prebarcoding letters in several of USPS witness Miller's mail flow models does not reduce processing costs, but actually increases costs. For example, even if mailers presort their machinable letters to the mixed AADC-AADC level, it would still be less expensive, according to Miller's models, to have the Postal Service spray on the barcode rather than have the mailer provide it. If mailers presort to 3-digits or beyond, Miller's models show that there is a savings of only .681 cents if the mailer provides the barcode.

Sources: USPS-LR-J-60 (Revised 11/14/01) for Miller's model results
Respective worksheets in this file for modified model results

Comparison of Miller Models if Prebarcoded Letters Were Not Prebarcoded

	(1)	(2)	(3)	(4)	(5)
Model	Number of Entering Letters	% Prebarcoded	Letters Entered	Computed Unit Cost	Change In Unit Cost
Miller's Auto Mixed AADC Presort	10,000	100%	Out Sec Auto	4.280	
Modified Auto Mixed AADC Presort	10,000	0%	Out ISS/RCR	4.276	-0.004
Miller's Auto AADC Presort	10,000	100%	Inc MMP Auto	3.368	
Modified Auto AADC Presort	10,000	0%	Inc ISS/RCR	4.032	0.664

Conclusion: Removing a prebarcode should add to processing costs compared to having a prebarcode. As can be shown here, removing a prebarcode for USPS witness Miller's Auto Mixed AADC Presort model does not increase processing costs but actually decreases costs. It is not until letters are presorted to AADC and beyond that the additional costs of having the Postal Service spray on the barcode become offset by the phantom savings

Sources: USPS-LR-J-60 (Revised 11/14/01) for Miller's model results
Respective worksheets in this file for modified model results

FIRST-CLASS MAIL BULK METERED MAIL (BMM) LETTERS COST SHEET - If BMM letters were prebarcoded

	(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
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	10,005	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.917
Manual	490	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.260
Outgoing Secondary									
Automation	715	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.046
Manual	120	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.063
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	3,742	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.361
Manual ADC	325	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.158
Incoming SCF/Primary									
Automation	5,839	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.514
Manual	422	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.192
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	2,025	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.212
Auto 3-Pass DPS	3,089	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.058
Auto 2-Pass DPS	13,042	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.775
Man Inc Sec Final At Plant	1,343	807	\$30.840	3.822	1.365	1.012	0.047	5.264	0.707
Man Inc Sec Final At DU	477	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.166
Box Section Sort, DPS	649	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.115
Box Section Sort, Other	241	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.085

(10)
MODEL COST = **4.630**

(11)
DPS % = **72.97%**

- (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

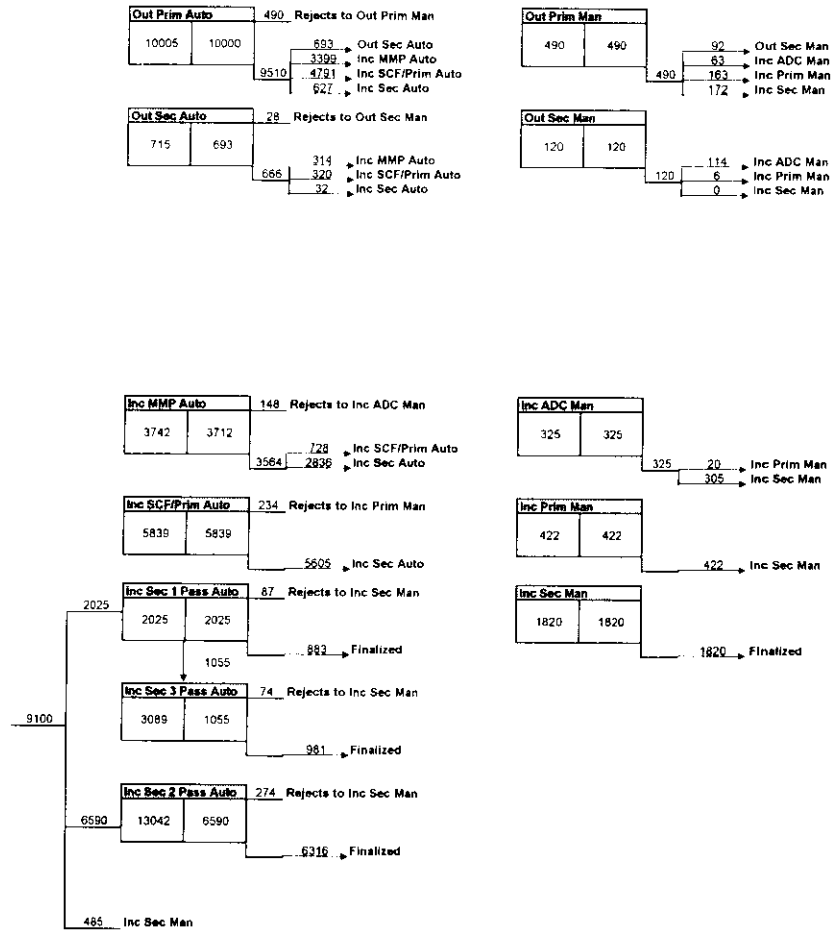
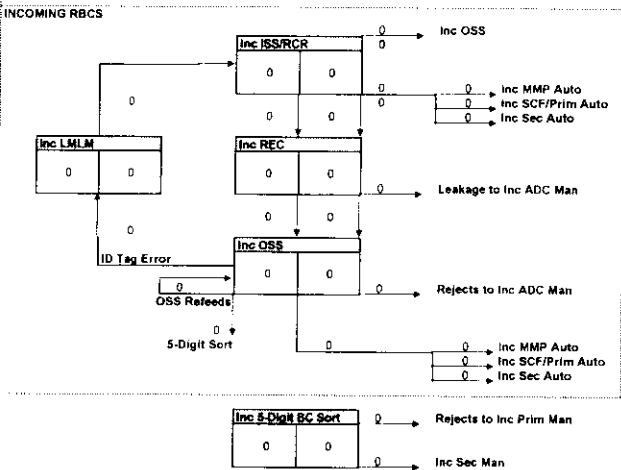
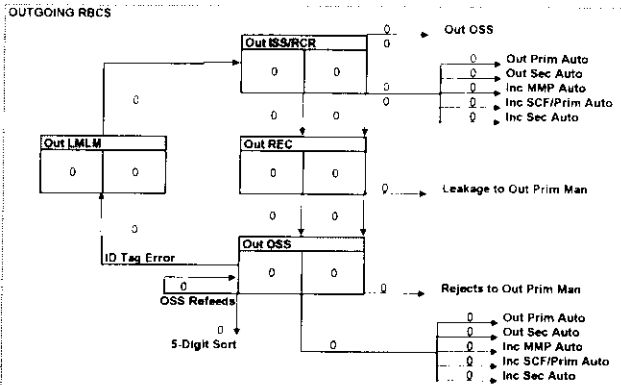
- (7) [(6) - 1] * (4)
- (8) (4) * (5) + (7)
- (9) (1) * (8) / 10,000 Pieces
- (10) Sum (9)
- (11) (Pieces Finalized in DPS Operations) / (10,000 Pieces)

FIRST-CLASS MAIL BULK METERED MAIL (BMM) LETTERS
MAIL FLOW MODEL - If BMM letters were prebarcoded

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out ISS/RCR	0	Inc ISS/RCR	0
Out Prim Auto	10000	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 - If Nonauto Machinable Mixed AADC / AADC Presorted Letters were prebarcoded

	(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	490	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.260
<u>Outgoing Secondary</u>									
Automation	715	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.046
Manual	120	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.063
<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	3,742	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.361
Manual ADC	325	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.158
<u>Incoming SCF/Primary</u>									
Automation	5,839	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.514
Manual	422	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.192
<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	2,025	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.212
Auto 3-Pass DPS	3,089	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.058
Auto 2-Pass DPS	13,042	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.775
Man Inc Sec Final At Plant	1,343	807	\$30.840	3.822	1.365	1.012	0.047	5.264	0.707
Man Inc Sec Final At DU	477	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.166
Box Section Sort, DPS	649	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.115
Box Section Sort, Other	241	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.085

MODEL COST = 4.630 ⁽¹⁰⁾

DPS % = 72.97% ⁽¹¹⁾

- (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

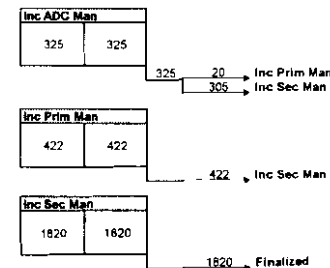
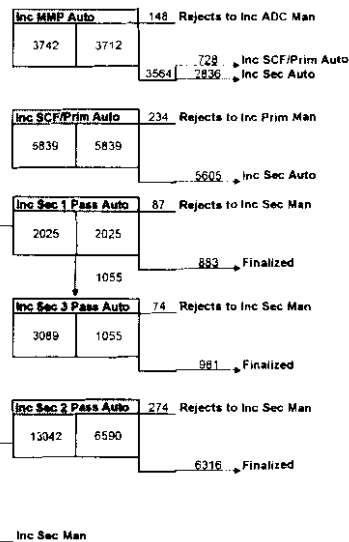
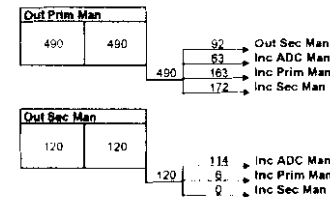
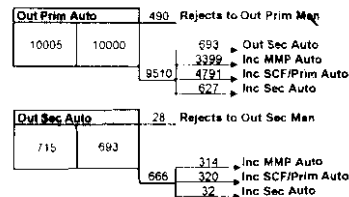
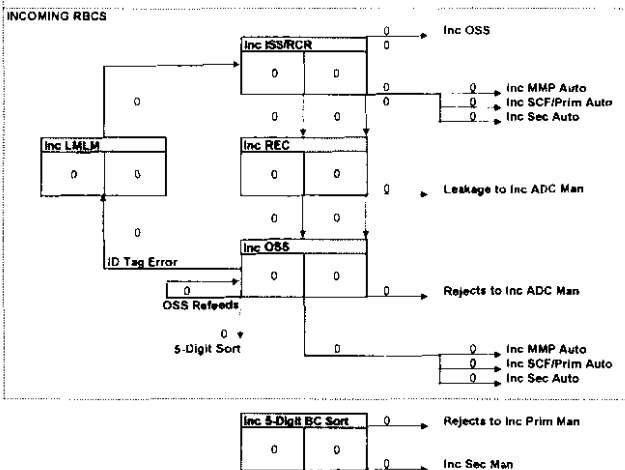
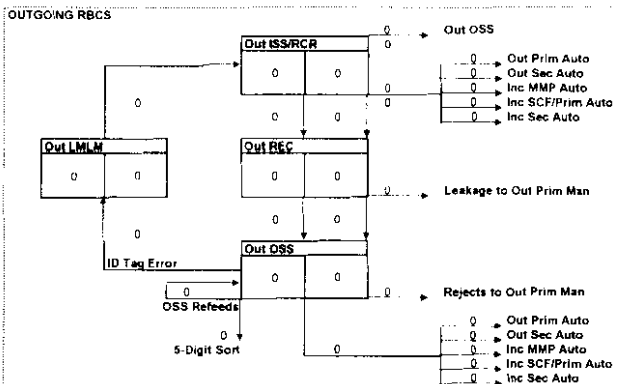
- (7) $[(6) - 1] * (4)$
- (8) $(4) * (5) + (7)$
- (9) $(1) * (8) / 10,000 \text{ Pieces}$
- (10) Sum (9)
- (11) $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

FIRST-CLASS MAIL NONAUTO MACHINABLE MIXED AADC / AADC PRESORT LETTERS MAIL FLOW MODEL - If Nonauto Machinable Mixed AADC / AADC Presorted Letters were prebarcoded

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out ISS/RCR	0	Inc ISS/RCR	0
Out Prim Auto	10000	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 3-DIGIT / 5-DIGIT PRESORT LETTERS COST SHEET - If Nonauto Machinable 3-Digit / 5-Digit Presorted Letters were prebarcoded

	(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	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>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 Corner 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 cents/dollar)] / (2)
- (5) Values From "PIGGYBACK" Spreadsheet
- (6) Values From "WAGE" Spreadsheet

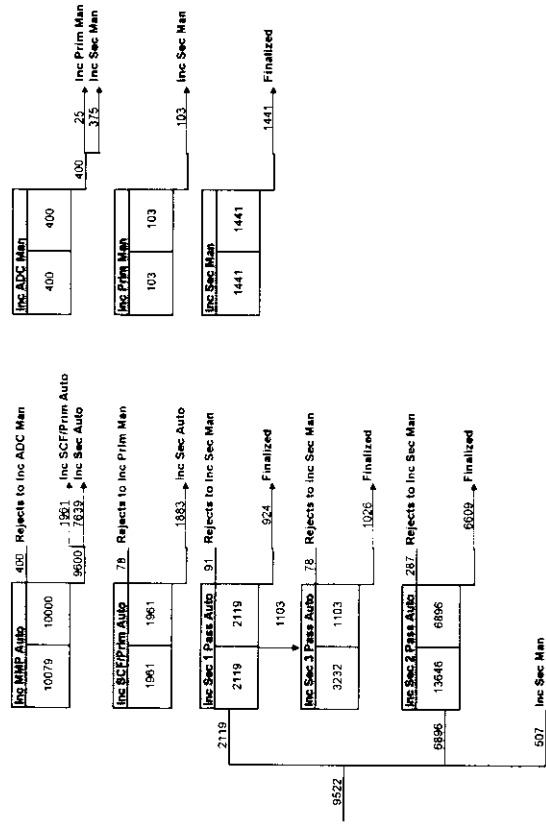
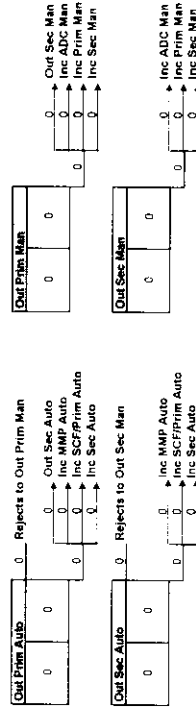
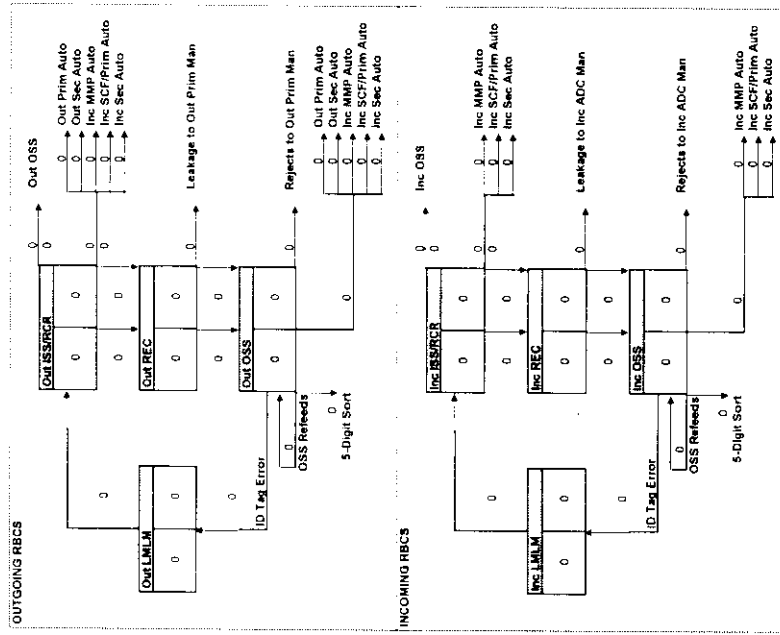
- (7) [(6) - 1] * (4)
- (8) (4) * (5) + (7)
- (9) (1) * (8) / 10,000 Pieces
- (10) Sum (9)
- (11) (Pieces Finalized in DPS Operations) / (10,000 Pieces)

FIRST-CLASS MAIL NONAUTO MACHINABLE 3-DIGIT / 5-DIGIT PRESORT LETTERS MAIL FLOW MODEL - If Nonauto Machinable 3-Digit / 5-Digit Presorted Letters were prebarcoded

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out ISSRGR	0	Inc ISSRGR	0
Out Prim Auto	0	Inc MNP Auto	10000
Out Sec Auto	0	Inc SCFP/Prim Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCFP/Prim Man	0
		Inc Sec Man	0



FIRST-CLASS MAIL AUTO MIXED AADC PRESORT LETTERS

COST SHEET - If Auto Mixed AADC Presorted Letters were not prebarcoded

	(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
Outgoing RBCS									
ISS/RCR	10,078	8,142	\$30.840	0.379	2.213	1.012	0.005	0.843	0.849
REC	363	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.156
OSS	1,331	10,240	\$30.840	0.301	1.885	1.012	0.004	0.571	0.076
LMLM	78	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.017
Outgoing Primary									
Automation	306	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.028
Manual	53	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.028
Outgoing Secondary									
Automation	2,788	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.179
Manual	118	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	1,798	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.174
Manual ADC	190	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.093
Incoming SCF/Primary									
Automation	5,471	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.481
Manual	258	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.117
5-Digit Barcode Sort									
	104	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.009
Incoming Secondaries									
Auto Carrier Route	2,101	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.220
Auto 3-Pass DPS	3,205	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.060
Auto 2-Pass DPS	13,536	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.805
Man Inc Sec Final At Plant	1,115	807	\$30.840	3.822	1.365	1.012	0.047	5.264	0.587
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 = 4.276

(11)
DPS % = 75.73%

- (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

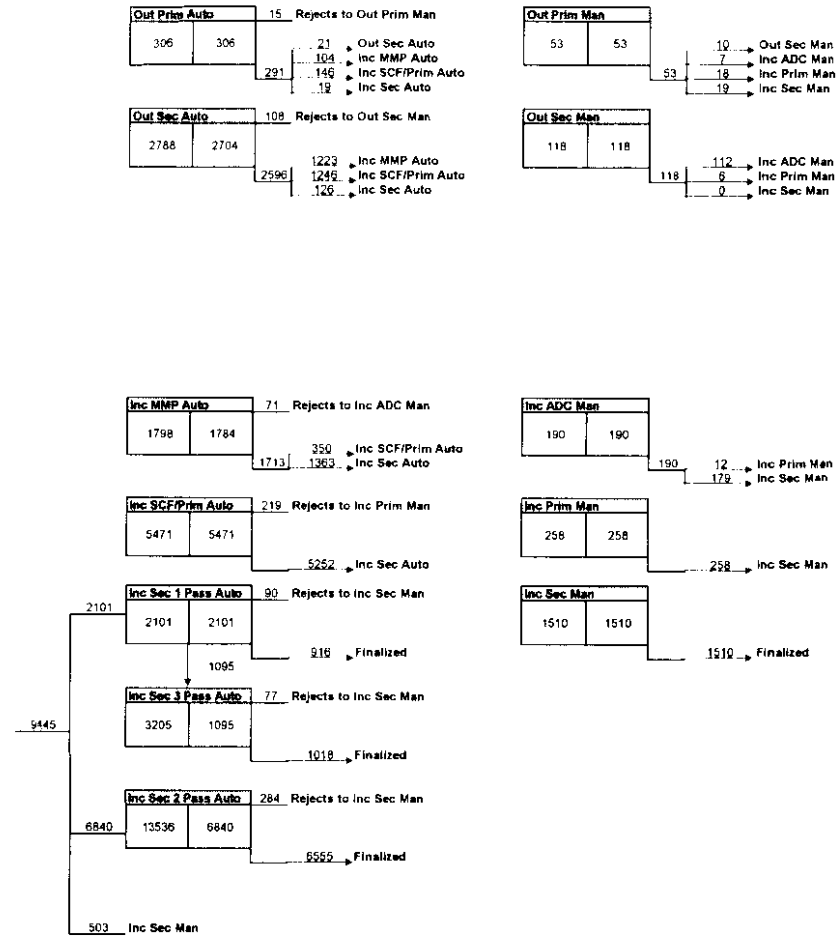
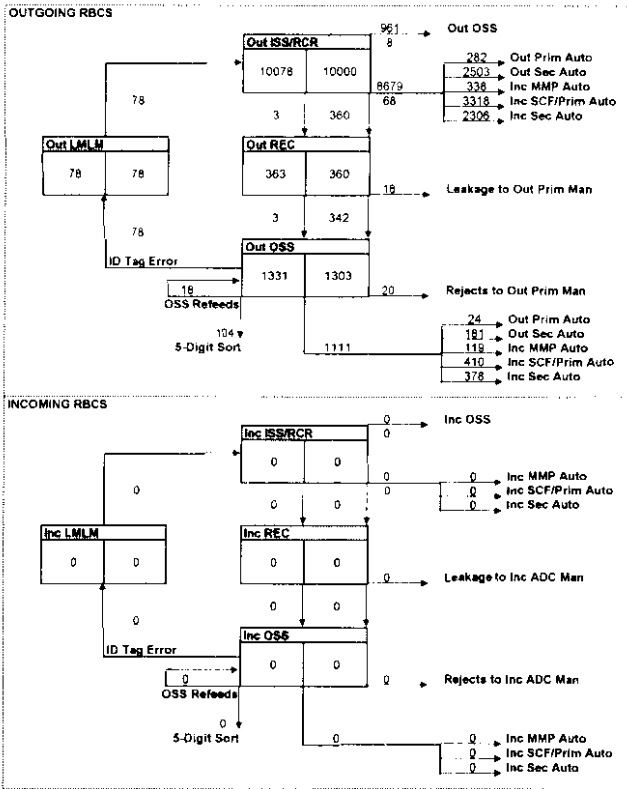
- (7) [(6) - 1] * (4)
- (8) (4) * (5) + (7)
- (9) (1) * (8) / 10,000 Pieces
- (10) Sum (9)
- (11) (Pieces Finalized in DPS Operations) / (10,000 Pieces)

FIRST-CLASS MAIL AUTO MIXED AADC PRESORT LETTERS
MAIL FLOW MODEL - If Auto Mixed AADC Presorted Letters were not prebarcoded

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out ISS/RCR	10000	Inc ISS/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	0
		Inc SCF/Prim Man	0
		Inc Sec Man	0



FIRST-CLASS MAIL AUTO AADC PRESORT LETTERS
COST SHEET - If Auto AADC Presorted Letters were not prebarcoded

	(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
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	10,078	4,681	\$30.840	0.659	2.213	1.012	0.008	1.466	1.478
REC	363	698	\$20.409	2.924	1.459	1.012	0.036	4.302	0.156
OSS	1,331	9,225	\$30.840	0.334	1.819	1.012	0.004	0.612	0.081
LMLM	78	3,749	\$30.840	0.823	2.567	1.012	0.010	2.122	0.017
Incoming MMP									
Automation AADC	223	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.022
Manual ADC	47	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.023
Incoming SCF/Primary									
Automation	3,102	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.273
Manual	131	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.060
5-Digit Barcode Sort									
	104	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.009
Incoming Secondaries									
Auto Carner Route	2,164	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.227
Auto 3-Pass DPS	3,301	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.062
Auto 2-Pass DPS	13,938	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.828
Man Inc Sec Final At Plant	929	807	\$30.840	3.822	1.365	1.012	0.047	5.264	0.489
Man Inc Sec Final At DU	330	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.115
Box Section Sort, DPS	694	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.123
Box Section Sort, Other	196	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.070

(10)
MODEL COST = **4.032**

(11)
DPS % = **77.98%**

- (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

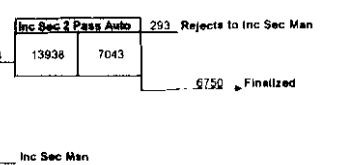
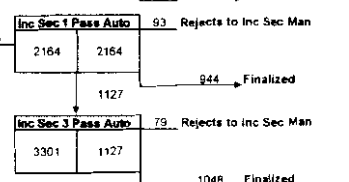
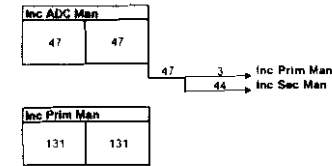
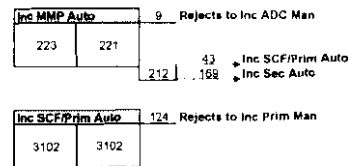
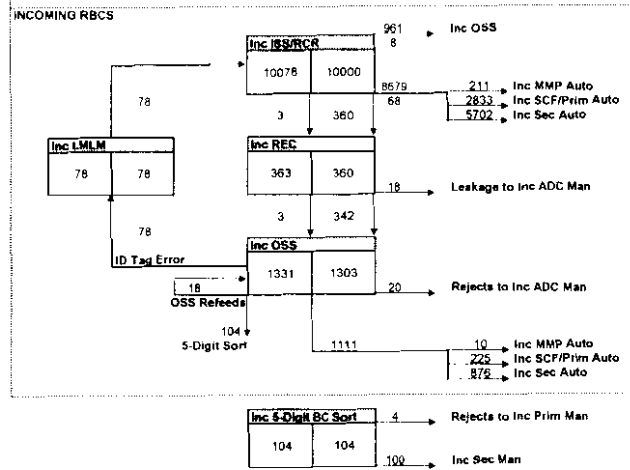
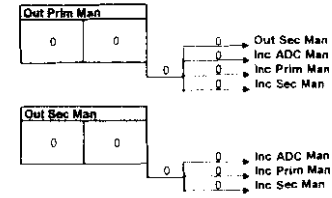
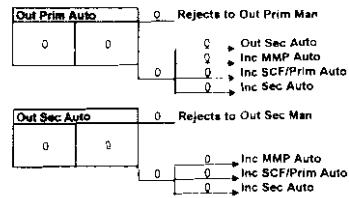
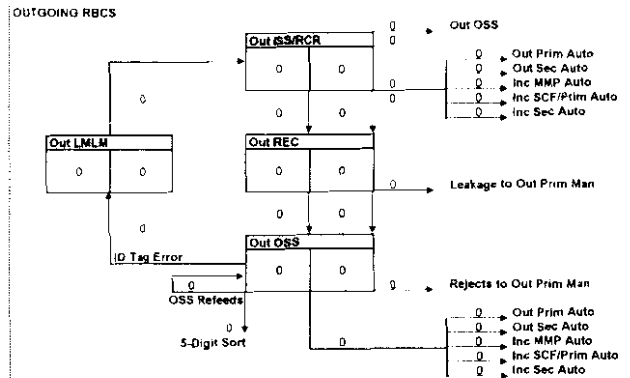
- (7) [(6) - 1] * (4)
- (8) (4) * (5) + (7)
- (9) (1) * (8) / 10,000 Pieces
- (10) Sum (9)
- (11) (Pieces Finalized in DPS Operations) / (10,000 Pieces)

FIRST-CLASS MAIL AUTO AADC PRESORT LETTERS
MAIL FLOW MODEL - If Auto AADC Presorted Letters were not prebarcoded

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

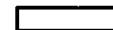
Out ISS/RCR	0	Inc ISS/RCR	10000
Out Prim Auto	0	Inc MMP Auto	0
Out Sec Auto	0	Inc SCF/Prim Auto	0
Out Prim Man	0	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	0
		Inc SCF/Prim Man	0
		Inc Sec Man	0



FIRST-CLASS MAIL SINGLE-PIECE MACHINABLE LETTERS
COST SHEET - If Single-Piece Machinable Letters were prebarcoded

	(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
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	10,005	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.917
Manual	490	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.260
Outgoing Secondary									
Automation	715	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.046
Manual	120	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.063
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	3,742	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.361
Manual ADC	325	900	\$30.840	3.427	1.406	1.012	0.042	4.860	0.158
Incoming SCF/Primary									
Automation	5,839	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.514
Manual	422	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.192
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	2,025	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.212
Auto 3-Pass DPS	3,089	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.058
Auto 2-Pass DPS	13,042	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.775
Man Inc Sec Final At Plant	1,343	807	\$30.840	3.822	1.365	1.012	0.047	5.264	0.707
Man Inc Sec Final At DU	477	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.166
Box Section Sort. DPS	649	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.115
Box Section Sort. Other	241	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.085

MODEL COST = 4.630 (10)



- (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

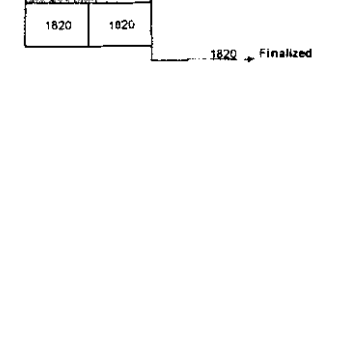
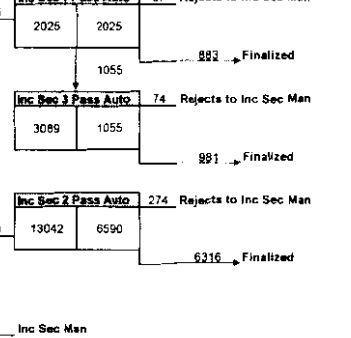
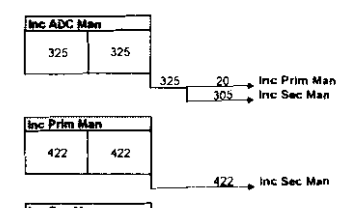
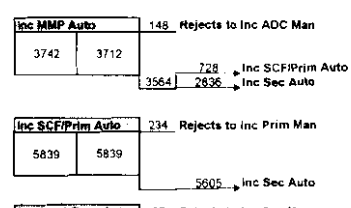
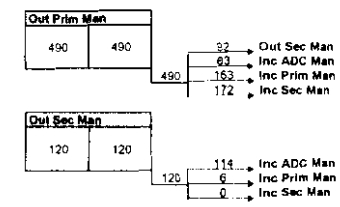
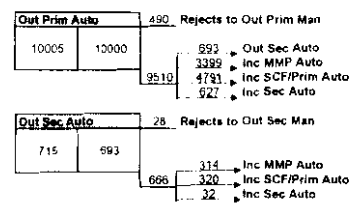
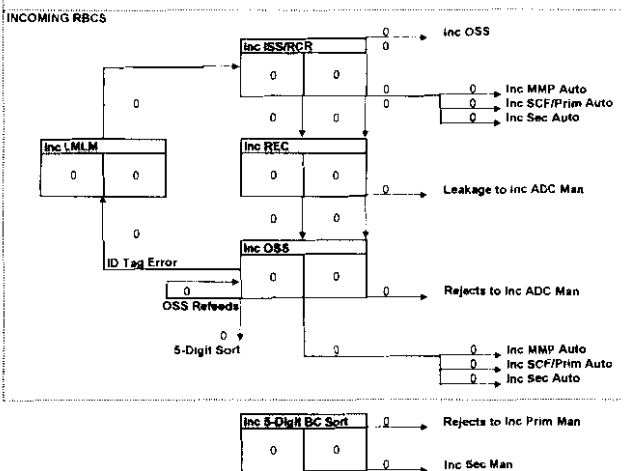
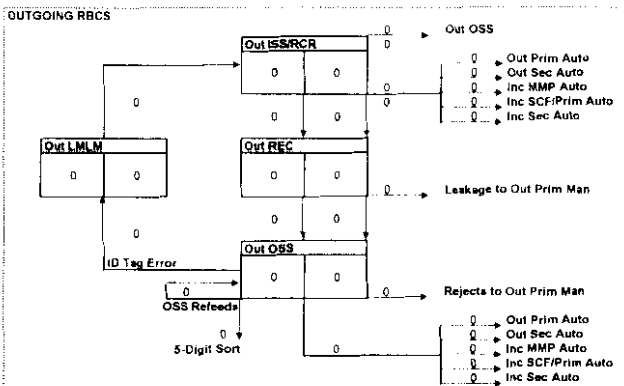
- (7) $[(6) - 1] * (4)$
- (8) $(4) * (5) + (7)$
- (9) $(1) * (8) / 10,000 \text{ Pieces}$
- (10) Sum (9)

FIRST-CLASS MAIL SINGLE-PIECE MACHINABLE LETTERS MAIL FLOW MODEL - If Single-Piece Machinable Letters were prebarcoded

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out ISS/RCR	0	Inc ISS/RCR	0
Out Prim Auto	10000	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 NONSTANDARD SINGLE-PIECE LETTERS

COST SHEET - If Nonstandard Single-Piece Letters were prebarcoded

	(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
Outgoing RBCS									
ISS/RRCR	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	7,504	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.688
Manual	4,651	802	\$30.840	3.847	1.365	1.012	0.047	5.298	2.464
Outgoing Secondary									
Automation	402	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.026
Manual	986	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.515
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	2,060	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.199
Manual ADC	2,104	900	\$30.840	3.427	1.406	1.012	0.042	4.860	1.023
Incoming SCF/Primary									
Automation	3,130	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.275
Manual	2,600	934	\$30.840	3.300	1.365	1.012	0.040	4.545	1.182
5-Digit Barcode Sort									
	0	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.000
Incoming Secondaries									
Auto Carmer Route	844	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.088
Auto 3-Pass DPS	965	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.018
Auto 2-Pass DPS	5,434	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.323
Man Inc Sec Final At Plant	5,990	807	\$30.840	3.822	1.365	1.012	0.047	5.264	3.153
Man Inc Sec Final At DU	2,125	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.742
Box Section Sort, DPS	143	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.025
Box Section Sort, Other	747	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.265

MODEL COST = 10.985 (10)

- (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

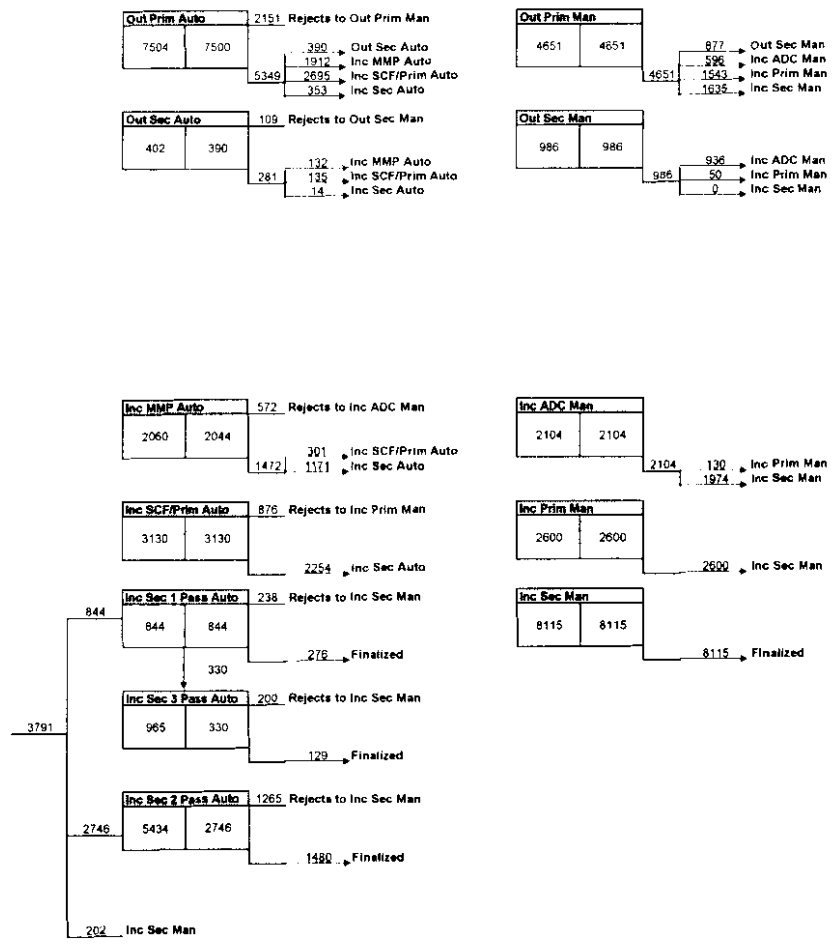
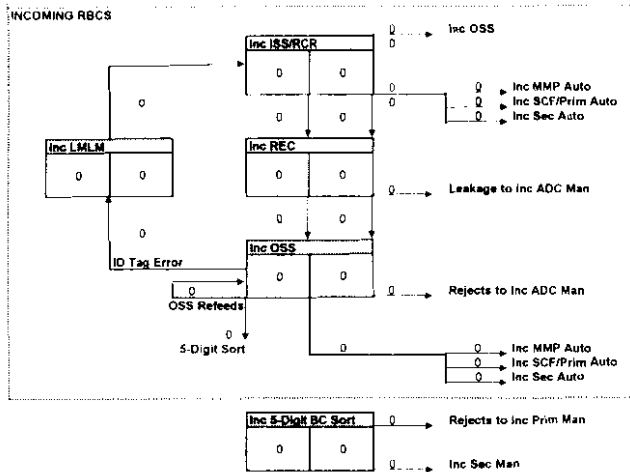
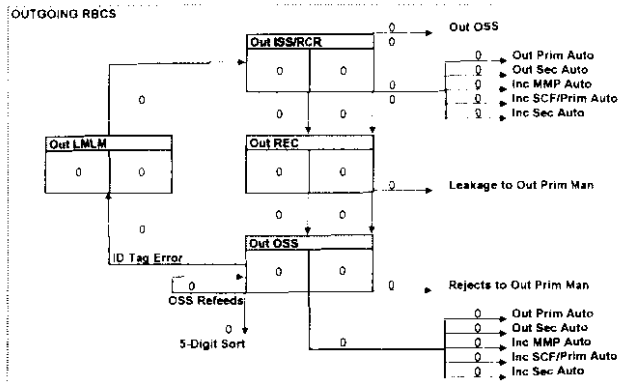
- (7) $[(6) - 1] * (4)$
- (8) $(4) * (5) + (7)$
- (9) $(1) * (8) / 10,000 \text{ Pieces}$
- (10) Sum (9)

FIRST-CLASS MAIL NONSTANDARD SINGLE-PIECE LETTERS
MAIL FLOW MODEL - If Nonstandard Single-Piece Letters were prebarcoded

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out ISS/RCR	0	Inc ISS/RCR	0
Out Prim Auto	7500	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 - If Nonstandard Presorted Letters were prebarcoded

	(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
Outgoing RBCS									
ISS/RRCR	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	1,181	6,559	\$30.840	0.470	1.937	1.012	0.006	0.916	0.108
Manual	959	802	\$30.840	3.847	1.365	1.012	0.047	5.298	0.508
Outgoing Secondary									
Automation	63	9,312	\$30.840	0.331	1.928	1.012	0.004	0.643	0.004
Manual	198	814	\$30.840	3.790	1.365	1.012	0.046	5.219	0.103
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	4,846	6,159	\$30.840	0.501	1.917	1.012	0.006	0.966	0.468
Manual ADC	3,330	900	\$30.840	3.427	1.406	1.012	0.042	4.860	1.618
Incoming SCF/Primary									
Automation	1,152	6,658	\$30.840	0.463	1.887	1.012	0.006	0.880	0.101
Manual	2,018	934	\$30.840	3.300	1.365	1.012	0.040	4.545	0.917
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	810	5,614	\$30.840	0.549	1.897	1.012	0.007	1.049	0.085
Auto 3-Pass DPS	927	32,363	\$30.840	0.095	1.953	1.012	0.001	0.187	0.017
Auto 2-Pass DPS	5,219	10,145	\$30.840	0.304	1.943	1.012	0.004	0.594	0.310
Man Inc Sec Final At Plant	6,044	807	\$30.840	3.822	1.365	1.012	0.047	5.264	3.182
Man Inc Sec Final At DU	2,145	1,216	\$30.840	2.536	1.365	1.012	0.031	3.493	0.749
Box Section Sort, DPS	138	2,464	\$30.840	1.252	1.406	1.012	0.015	1.775	0.024
Box Section Sort, Other	752	1,233	\$30.840	2.502	1.406	1.012	0.030	3.548	0.267

MODEL COST = 8.463 (10)

- (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

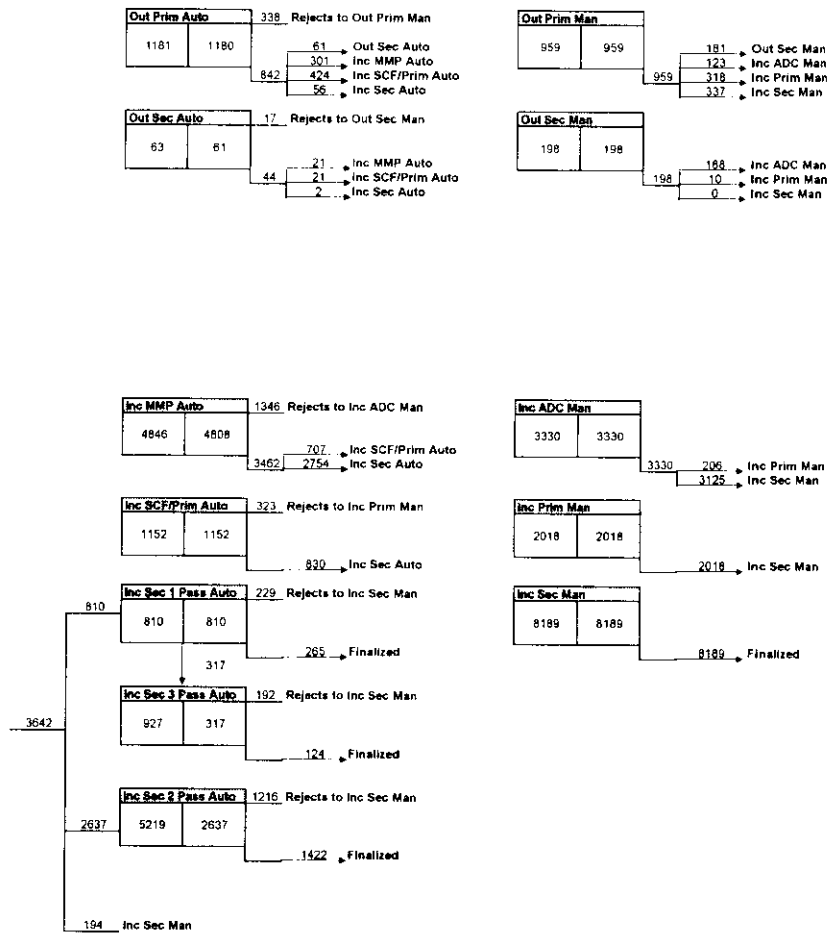
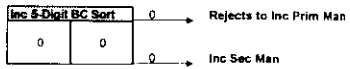
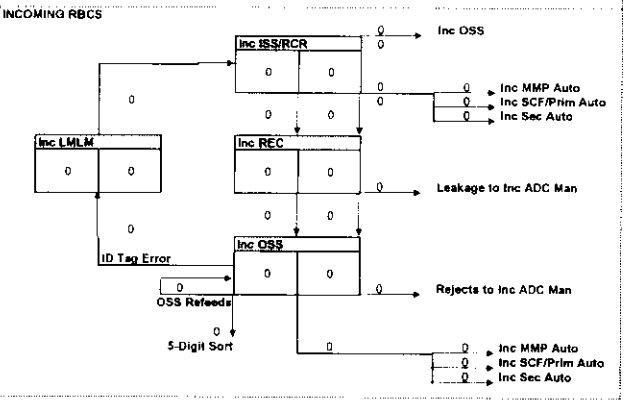
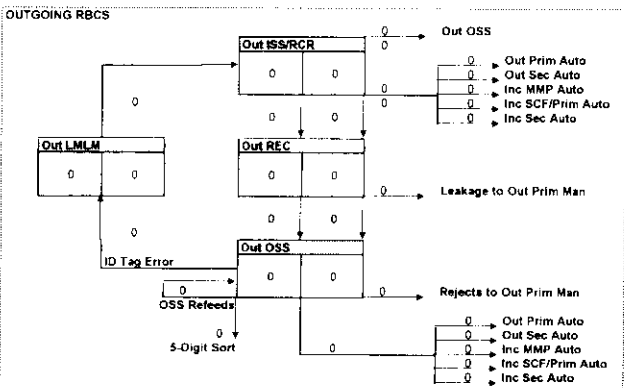
- (7) [(6) - 1] * (4)
- (8) (4) * (5) + (7)
- (9) (1) * (8) / 10,000 Pieces
- (10) Sum (9)

FIRST-CLASS MAIL NONSTANDARD PRESORT LETTERS MAIL FLOW MODEL - If Nonstandard Presorted Letters were prebarcoded

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out ISS/RCR	0	Inc ISS/RCR	0
Out Prim Auto	1180	Inc MMP Auto	4486
Out Sec Auto	0	Inc SCF/Prim Auto	0
Out Prim Man	620	Inc Sec Auto	0
Out Sec Man	0	Inc ADC Man	1673
		Inc SCF/Prim Man	1162
		Inc Sec Man	879



MARGINAL (VOLUME VARIABLE) PRODUCTIVITIES

<u>Description</u>	(1) <u>Variability Factor</u>	(2) <u>MODS Productivity</u>	<u>Productivity Source</u>	(3) <u>Marginal Productivity</u>
Outgoing ISS	0.770	6269	U\$PS LR-J-56	8,142
Incoming ISS	0.770	3604	U\$PS LR-J-56	4,681
REC	1.000	698	U\$PS LR-J-56	698
LMLM	1.000	3749	U\$PS LR-J-56	3,749
Outgoing OSS	0.896	9177	U\$PS LR-J-56	10,240
Incoming OSS	0.926	8539	U\$PS LR-J-56	9,225
Outgoing BCS Primary	0.873	5724	U\$PS LR-J-56	6,559
Outgoing BCS Secondary	0.877	8162	U\$PS LR-J-56	9,312
Incoming BCS MMP	0.882	5431	U\$PS LR-J-56	6,159
Incoming BCS SCF/Primary	0.895	5959	U\$PS LR-J-56	6,658
Incoming BCS Secondary Carrier Route	0.891	5001	U\$PS LR-J-56	5,614
Incoming BCS Secondary DPS (2 Pass)	0.870	8826	U\$PS LR-J-56	10,145
Incoming CSBCS Secondary DPS (3 Pass)	0.870	28,156	U\$PS LR-J-56	32,363
Manual Outgoing Primary	0.580	465	U\$PS LR-J-56	802
Manual Outgoing Secondary	0.580	472	U\$PS LR-J-56	814
Manual ADC	0.580	522	U\$PS 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 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 DESCRIPTION</u>		(1) <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	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%	
894	Incoming SCF - DBCS	19,726,014,500	41.40%	64.21%
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%	

FIRST-CLASS MAIL ENTRY PROFILE

Rate Category	Tray Presort Level	Entry Point	Source	Volume	Percent
Nonautomation OCR Upgradable				3,152,997	100.00%
5-Digit			Docket No. R97-1, LR-H-185	281,478	8.93%
	Inc ISS			281,478	8.93%
3-Digit			Docket No. R97-1, LR-H-185	1,565,393	49.65%
	Inc ISS			1,565,393	49.65%
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				505,318	100.00%
5-Digit			Docket No. R97-1, LR-H-185	183,056	36.23%
	Inc Iss			183,056	36.23%
3-Digit			Docket No. R97-1, LR-H-185	193,752	38.34%
	Inc ISS			193,752	38.34%
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	45.64%
	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			Docket No. R97-1, LR-H-185	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			Docket No. R97-1, LR-H-185	19,388,008	
Automation 5-Digit			Docket No. R97-1, LR-H-185	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

<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%
Nonstandard Letters % Accept	Docket No. R2000-1, Tr. 22/10162 at 16	75.00%