

MMA-LR-J-3

Derivation of Automation Letter Workshare Cost Savings Using the  
Commission's Docket No. R00-1 Methodology for Mail Processing Costs

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U.S. DEPT. OF JUSTICE  
OFFICE OF THE ATTORNEY GENERAL

**FIRST-CLASS MAIL PRESORT LETTERS SUMMARY**  
PRC VERSION

	(1)	(2)	(3)	(4)	(5)
	MAIL PROC	MAIL PROC	DELIVERY	TOTAL	WORK-
BENCHMARK		WORK-	WORK-	WORK-	SHARING
<u>RATE CATEGORY</u>	<u>TOTAL</u>	SHARING	SHARING	SHARING	RELATED
	<u>UNIT COST</u>	RELATED	RELATED	RELATED	<u>RELATED</u>
		<u>UNIT COST</u>	<u>UNIT COST</u>	<u>UNIT COST</u>	<u>SAVINGS</u>
Bulk Metered Mail (BMM) Letters	12.199	11.495	5.942	17.437	---
Nonautomation Presort Letters	16.427	15.161	5.942	21.103	(3.666)
Nonautomation Nonmachinable Mixed ADC	36.415	35.149	8.408	43.557	(26.120)
Nonautomation Nonmachinable ADC	28.567	27.301	8.408	35.709	(18.272)
Nonautomation Machinable Mixed AADC	11.440	10.174	4.083	14.257	3.180
Nonautomation Machinable AADC	11.440	10.174	4.083	14.257	3.180
Nonautomation Nonmachinable 3-Digit	25.385	24.119	8.408	32.527	(15.090)
Nonautomation Nonmachinable 5-Digit	15.407	14.141	8.408	22.549	(5.111)
Nonautomation Machinable 3-Digit	11.000	9.734	3.954	13.688	3.750
Nonautomation Machinable 5-Digit	11.000	9.734	3.954	13.688	3.750
Nonautomation Machinable Letters (All Presort Levels)	11.173	9.907	4.005	13.911	3.526
Automation Mixed AADC Letters	5.518	5.279	4.164	9.443	7.994
Automation AADC Letters	4.585	4.346	4.015	8.361	9.076
Automation 3-Digit Presort Letters	4.259	4.019	3.979	7.998	9.439
Automation 5-Digit Presort Letters	3.172	2.933	3.794	6.727	10.711
Automation 5-Digit Presort Letters (CSBCS/Manual Sites)	4.002	3.763	6.160	9.923	---
Automation Carrier Route Presort Letters	2.094	1.855	6.059	7.914	2.009

- (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**  
PRC VERSION

**CRA LETTER MAIL PROCESSING UNIT COSTS**

Modeled Worksharing Related (Proportional) Cost Pools	11.576	(1)
Other Worksharing Related (Fixed) Cost Pools	3.585	(2)
Non-Worksharing Related (Fixed) Cost Pools	1.266	(3)
<b>Total</b>	<b>16.427</b>	<b>(4)</b>

**CRA PROPORTIONAL ADJUSTMENT FACTOR**

	(5)	(6)	(7)	(14)
<b>Base Model Costs</b>	<b>Model Cost</b>	<b>Volume (000)</b>	<b>Volume %</b>	<b>DPS %</b>
Nonautomation Nonmachinable Mixed ADC	26.363	152,957	4.08%	0.00%
Nonautomation Nonmachinable ADC	19.808	151,076	4.03%	0.00%
Nonautomation Machinable Mixed AADC	5.504	522,235	13.93%	75.17%
Nonautomation Machinable AADC	5.504	301,014	8.03%	75.17%
Nonautomation Nonmachinable 3-Digit	17.151	752,891	20.08%	0.00%
Nonautomation Nonmachinable 5-Digit	8.816	592,771	15.81%	0.00%
Nonautomation Machinable 3-Digit	5.136	1,009,465	26.93%	77.40%
Nonautomation Machinable 5-Digit	5.136	266,567	7.11%	77.40%
<b>(8) Total Weighted Model Cost</b>	<b>9.669</b>	<b>3,748,977</b>	<b>100.00%</b>	<b>42.85%</b>
<b>CRA Proportional Adjustment</b>			<b>1.197</b>	<b>(9)</b>

**ADJUSTED LETTER MAIL PROCESSING UNIT COSTS**

<u>Rate Category</u>	(10) <u>Model Unit Cost</u>	(11) <u>Worksharing Related Unit Cost</u>	(12) <u>Non Worksharing Unit Cost</u>	(13) <u>Total Mail Proc Unit Cost</u>
Nonautomation Nonmachinable Mixed ADC	26.363	35.149	1.266	36.415
Nonautomation Nonmachinable ADC	19.808	27.301	1.266	28.567
Nonautomation Machinable Mixed AADC	5.504	10.174	1.266	11.440
Nonautomation Machinable AADC	5.504	10.174	1.266	11.440
Nonautomation Nonmachinable 3-Digit	17.151	24.119	1.266	25.385
Nonautomation Nonmachinable 5-Digit	8.816	14.141	1.266	15.407
Nonautomation Machinable 3-Digit	5.136	9.734	1.266	11.000
Nonautomation Machinable 5-Digit	5.136	9.734	1.266	11.000

(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**  
**PRC VERSION**

**CRA LETTER MAIL PROCESSING UNIT COSTS**

Modeled Worksharing Related (Proportional) Cost Pools	2.421	(1)
Other Worksharing Related (Fixed) Cost Pools	1.301	(2)
Non-Worksharing Related (Fixed) Cost Pools	0.239	(3)
<b>Total</b>	<b>3.962</b>	<b>(4)</b>

**CRA PROPORTIONAL ADJUSTMENT FACTOR**

	(5)	(6)	(7)
	Model Cost	Base Year Volume (000)	Base Year Volume %
<b>Base Model Costs</b>			
Automation Mixed AADC	5.613	2,504,847	6.14%
Automation AADC	4.296	2,680,656	6.57%
Automation 3-Digit	3.835	21,832,339	53.49%
Automation 5-Digit Other	1.856	9,212,148	22.57%
Automation 5-Digit CSBCS/Manual	3.473	3,508,299	8.60%
Automation Carrier Route	0.781	1,075,333	2.63%
<b>(8) Total Weighted Model Cost</b>	<b>3.416</b>	<b>40,813,622</b>	<b>100.00%</b>
<b>CRA Proportional Adjustment</b>			<b>0.709 (9)</b>

**ADJUSTED LETTER MAIL PROCESSING UNIT COSTS**

<u>Rate Category</u>	(10) Model Unit Cost	(11) Worksharing Related Unit Cost	(12) Non Worksharing Unit Cost	(13) Total Mail Proc Unit Cost
Automation Mixed AADC	5.613	5.279	0.239	5.518
Automation AADC	4.296	4.346	0.239	4.585
Automation 3-Digit	3.835	4.019	0.239	4.259
Automation 5-Digit Other	1.856	2.617	0.239	2.856
Automation 5-Digit CSBCS/Manual	3.473	3.763	0.239	4.002
Automation Carrier Route	0.781	1.855	0.239	2.094

- (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)

CRA FIRST-CLASS MAIL LETTERS MAIL PROCESSING UNIT COSTS

Source: USPS LR-J-81

PRC VERSION

Cost Pool No.	Source	Cost Pool Abbreviation	BULK METERED				NON AUTO				AUTO						
			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			
1	BMCS	NMO			X	0.000			0.000	0.000			0.000				0.000
2	BMCS	OTHR			X	0.000			0.000	0.000			0.000				0.001
3	BMCS	PLA			X	0.000			0.000	0.000			0.000				0.000
4	BMCS	PSM			X	0.000			0.000	0.000			0.000				0.000
5	BMCS	SPB			X	0.000			0.000	0.000			0.000				0.000
6	BMCS	SSM			X	0.000			0.000	0.000			0.000				0.000
7	MODS 11	BCS/	X			0.539	0.539		0.593	0.593			0.220	0.220			0.220
8	MODS 11	BCS/DBC	X			1.881	1.881		2.260	2.260			1.007	1.007			1.007
9	MODS 11	OCR/	X			0.909	0.909		0.969	0.969			0.122	0.122			0.122
10	MODS 12	FSM/			X	0.036			0.036	0.036			0.022	0.022			0.022
11	MODS 12	FSM/1000			X	0.017			0.017	0.017			0.015	0.015			0.015
12	MODS 12	LSM/	X			0.002	0.002		0.004	0.004			0.000	0.000			0.000
13	MODS 13	NECPARC			X	0.001			0.001	0.001			0.001	0.001			0.001
14	MODS 13	SPBS OTH			X	0.023			0.023	0.023			0.037	0.037			0.037
15	MODS 13	SPBSPTIO			X	0.007			0.007	0.007			0.001	0.001			0.001
16	MODS 13	1SACKS_M			X	0.033			0.033	0.033			0.051	0.051			0.051
17	MODS 14	MANF			X	0.031			0.031	0.031			0.034	0.034			0.034
18	MODS 14	MANL	X			2.028	2.028		2.661	2.661			0.315	0.315			0.315
19	MODS 14	MANP			X	0.010			0.010	0.010			0.021	0.021			0.021
20	MODS 14	PRIORITY			X	0.011			0.009	0.009			0.009	0.009			0.009
21	MODS 15	LD15	X			0.347	0.347		0.281	0.281			0.051	0.051			0.051
22	MODS 17	1BULK PR	X(NA)	X(A)		0.004			0.035	0.035			0.007	0.007			0.007
23	MODS 17	1CANCMPP		X		0.639		0.004	0.206	0.206			0.062	0.062			0.062
24	MODS 17	1OPBULK	X(NA)	X(A)		0.139			0.203	0.203			0.050	0.050			0.050
25	MODS 17	1OPPREF	X(NA)	X(A)		0.556			0.833	0.833			0.224	0.224			0.224
26	MODS 17	1PLATFRM		X		0.960			1.338	1.338			0.309	0.309			0.309
27	MODS 17	1POUCHNG	X(NA)	X(A)		0.392			0.518	0.518			0.131	0.131			0.131
28	MODS 17	1SACKS_H			X	0.109			0.221	0.221			0.043	0.043			0.043
29	MODS 17	1SCAN			X	0.039			0.094	0.094			0.019	0.019			0.019
30	MODS 18	BUSREPLY			X	0.008			0.013	0.013			0.001	0.001			0.001
31	MODS 18	EXPRESS			X	0.009			0.008	0.008			0.008	0.008			0.008
32	MODS 18	MAILGRAM			X	0.000			0.000	0.000			0.000	0.000			0.000
33	MODS 18	REGISTRY			X	0.015			0.018	0.018			0.018	0.018			0.018
34	MODS 18	REWRAP			X	0.015			0.008	0.008			0.002	0.002			0.002
35	MODS 18	1EEQMT			X	0.028			0.023	0.023			0.005	0.005			0.005
36	MODS 18	1MISC		X		0.084			0.081	0.081			0.026	0.026			0.026
37	MODS 18	1SUPPORT		X		0.035			0.049	0.049			0.011	0.011			0.011
38	MODS 19	INTL			X	0.019			0.026	0.026			0.004	0.004			0.004
39	MODS 41	LD41	X			0.073	0.073		0.070	0.070			0.036	0.036			0.036
40	MODS 42	LD42	X			0.001	0.001		0.001	0.001			0.000	0.000			0.000
41	MODS 43	LD43	X			0.341	0.341		0.540	0.540			0.108	0.108			0.108
42	MODS 44	LD44	X			0.200	0.200		0.244	0.244			0.060	0.060			0.060
43	MODS 48	LD48 EXP			X	0.000			0.000	0.000			0.000	0.000			0.000
44	MODS 48	LD48 OTH			X	0.069			0.103	0.103			0.024	0.024			0.024
45	MODS 48	LD48_ADM			X	0.044			0.070	0.070			0.012	0.012			0.012
46	MODS 48	LD48_SSV			X	0.030			0.044	0.044			0.011	0.011			0.011
47	MODS 49	LD49			X	0.289			0.760	0.760			0.191	0.191			0.191
48	MODS 79	LD79			X	0.007			0.066	0.066			0.026	0.026			0.026
49	MODS 99	1SUPP_F1			X	0.000			0.000	0.000			0.000	0.000			0.000
50	MODS 99	1SUPP_F4			X	0.000			0.000	0.000			0.000	0.000			0.000
51	NON MODS	ALLIED			X	0.533			0.910	0.910			0.228	0.228			0.228
52	NON MODS	AUTO/MEC	X			0.323	0.323		0.378	0.378			0.203	0.203			0.203
53	NON MODS	EXPRESS			X	0.000			0.000	0.000			0.000	0.000			0.000
54	NON MODS	MANF			X	0.009			0.019	0.019			0.002	0.002			0.002
55	NON MODS	MANL	X			1.101	1.101		1.986	1.986			0.299	0.299			0.299
56	NON MODS	MANP			X	0.003			0.003	0.003			0.003	0.003			0.003
57	NON MODS	MISC			X	0.223			0.597	0.597			0.098	0.098			0.098
58	NON MODS	REGISTRY			X	0.028			0.001	0.001			0.001	0.001			0.001
						12.199	7.745	3.750	0.704	16.427	11.576	3.585	1.266	3.962	2.421	1.301	0.239
						63.49%	30.74%	5.77%		70.47%	21.82%	7.71%		61.11%	32.84%	6.04%	

# FIRST-CLASS MAIL BULK METERED MAIL (BMM) LETTERS

## COST SHEET

PRC VERSION

	(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
<b>Outgoing RBCS</b>									
ISS/RCR	10,078	6,283	\$30.840	0.491	2.187	1.014	0.007	1.080	1.089
REC	363	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.159
OSS	1,331	9,205	\$30.840	0.335	1.903	1.014	0.005	0.642	0.085
LMLM	78	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.017
<b>Outgoing Primary</b>									
Automation	306	5,740	\$30.840	0.537	1.960	1.014	0.007	1.061	0.032
Manual	53	467	\$30.840	6.600	1.375	1.014	0.090	9.164	0.049
<b>Outgoing Secondary</b>									
Automation	2,788	8,185	\$30.840	0.377	1.951	1.014	0.005	0.740	0.206
Manual	118	474	\$30.840	6.503	1.375	1.014	0.088	9.028	0.107
<b>Incoming RBCS</b>									
ISS/RCR	0	3,612	\$30.840	0.854	2.187	1.014	0.012	1.879	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	8,568	\$30.840	0.360	1.830	1.014	0.005	0.664	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Incoming MMP</b>									
Automation AADC	1,798	5,447	\$30.840	0.566	1.938	1.014	0.008	1.105	0.199
Manual ADC	190	525	\$30.840	5.880	1.396	1.014	0.080	8.285	0.158
<b>Incoming SCF/Primary</b>									
Automation	5,471	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.542
Manual	258	545	\$30.840	5.663	1.375	1.014	0.077	7.862	0.203
<b>5-Digit Barcode Sort</b>									
	104	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.010
<b>Incoming Secondaries</b>									
Auto Carrier Route	2,101	5,016	\$30.840	0.615	1.916	1.014	0.008	1.186	0.249
Auto 3-Pass DPS	3,205	28,255	\$30.840	0.109	2.003	1.014	0.001	0.220	0.071
Auto 2-Pass DPS	13,536	8,851	\$30.840	0.348	1.967	1.014	0.005	0.690	0.934
Man Inc Sec Final At Plant	1,115	470	\$30.840	6.558	1.375	1.014	0.089	9.105	1.015
Man Inc Sec Final At DU	396	1,149	\$30.840	2.685	1.375	1.014	0.036	3.728	0.147
Box Section Sort, DPS	674	2,366	\$30.840	1.304	1.396	1.014	0.018	1.837	0.124
Box Section Sort, Other	216	1,183	\$30.840	2.606	1.396	1.014	0.035	3.672	0.079

(10)  
MODEL COST = **5.476**

(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)

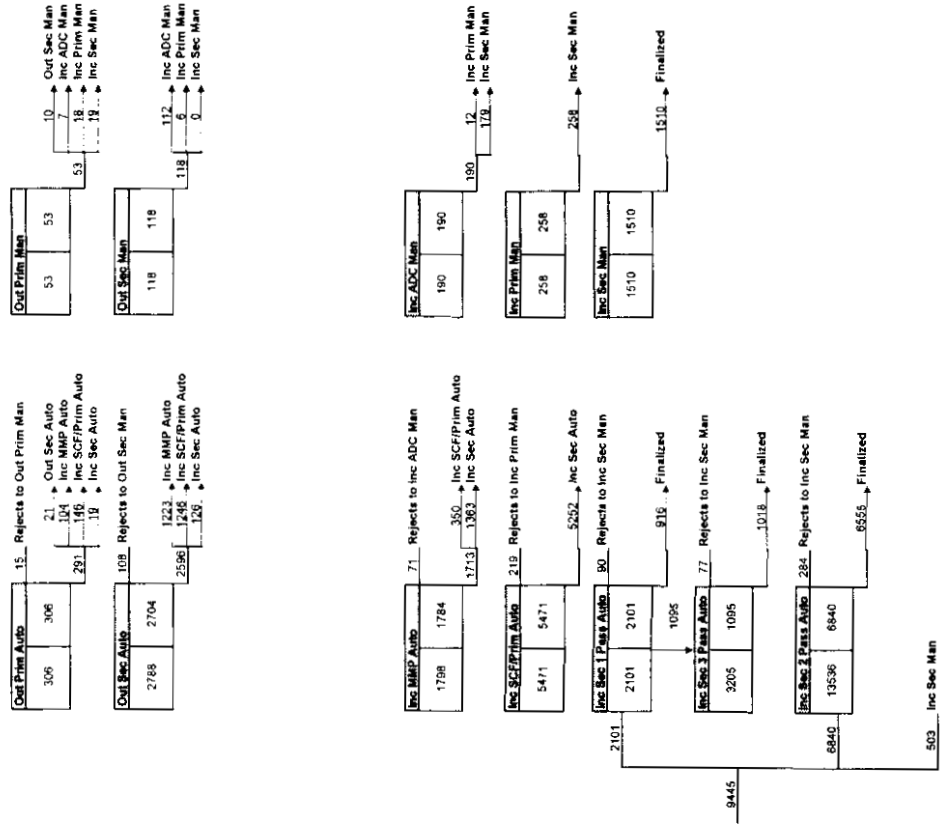
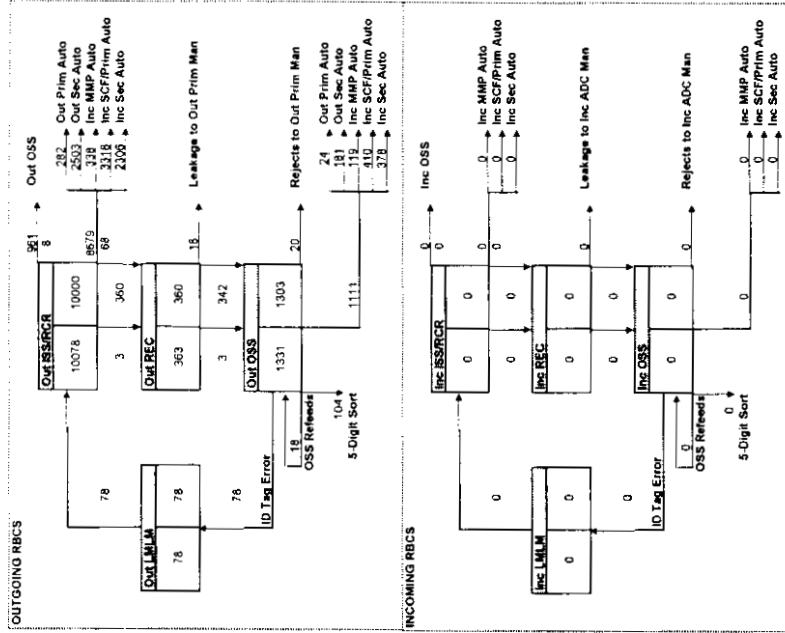
# FIRST-CLASS MAIL BULK METERED MAIL (BMM) LETTERS MAIL FLOW MODEL

PRC VERSION

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out ISS/RCR	10300	Inc ISS/RCR	0
Out Prim Auto	0	Inc MNP 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 SCF/Prim Man	0
Inc Sec Man	0	Inc Sec Man	0



# FIRST-CLASS MAIL NONAUTO MACHINABLE MIXED AADC / AADC PRESORT LETTERS

## COST SHEET

PRC VERSION

	(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
<b>Outgoing RBCS</b>									
ISS/RCR	10,047	6,283	\$30.840	0.491	2.187	1.014	0.007	1.080	1.085
REC	362	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.159
OSS	1,332	9,205	\$30.840	0.335	1.903	1.014	0.005	0.642	0.086
LMLM	47	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.010
<b>Outgoing Primary</b>									
Automation	304	5,740	\$30.840	0.537	1.960	1.014	0.007	1.061	0.032
Manual	52	467	\$30.840	6.600	1.375	1.014	0.090	9.164	0.048
<b>Outgoing Secondary</b>									
Automation	2,772	8,185	\$30.840	0.377	1.951	1.014	0.005	0.740	0.205
Manual	117	474	\$30.840	6.503	1.375	1.014	0.088	9.028	0.106
<b>Incoming RBCS</b>									
ISS	0	3,612	\$30.840	0.854	2.187	1.014	0.012	1.879	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	8,568	\$30.840	0.360	1.830	1.014	0.005	0.664	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Incoming MMP</b>									
Automation AADC	1,785	5,447	\$30.840	0.566	1.938	1.014	0.008	1.105	0.197
Manual ADC	189	525	\$30.840	5.880	1.396	1.014	0.080	8.285	0.157
<b>Incoming SCF/Primary</b>									
Automation	5,434	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.538
Manual	259	545	\$30.840	5.663	1.375	1.014	0.077	7.862	0.204
<b>5-Digit Barcode Sort</b>									
	177	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.018
<b>Incoming Secondaries</b>									
Auto Carrier Route	2,086	5,016	\$30.840	0.615	1.916	1.014	0.008	1.186	0.247
Auto 3-Pass DPS	3,182	28,255	\$30.840	0.109	2.003	1.014	0.001	0.220	0.070
Auto 2-Pass DPS	13,436	8,851	\$30.840	0.348	1.967	1.014	0.005	0.690	0.927
Man Inc Sec Final At Plant	1,161	470	\$30.840	6.558	1.375	1.014	0.089	9.105	1.057
Man Inc Sec Final At DU	412	1,149	\$30.840	2.685	1.375	1.014	0.036	3.728	0.154
Box Section Sort, DPS	669	2,366	\$30.840	1.304	1.396	1.014	0.018	1.837	0.123
Box Section Sort, Other	221	1,183	\$30.840	2.606	1.396	1.014	0.035	3.672	0.081

(10)  
MODEL COST = 5.504

(11)  
DPS % = 75.17%

- |  |   |
|--|---|
| (1) Values From "MODEL" Spreadsheet        | (7) [(6) - 1] * (4)   |
| (2) Values From "PRODUCTIVITY" Spreadsheet | (8) (4) * (5) + (7)   |
| (3) Values From "WAGE" Spreadsheet         | (9) (1) * (8) / 10,000 Pieces                               |
| (4) [(3) * (100 cents/dollar)] / (2)       | (10) Sum (9)  |
| (5) Values From "PIGGYBACK" Spreadsheet    | (11) (Pieces Finalized in DPS Operations) / (10,000 Pieces) |
| (6) Values From "WAGE" Spreadsheet         |   |



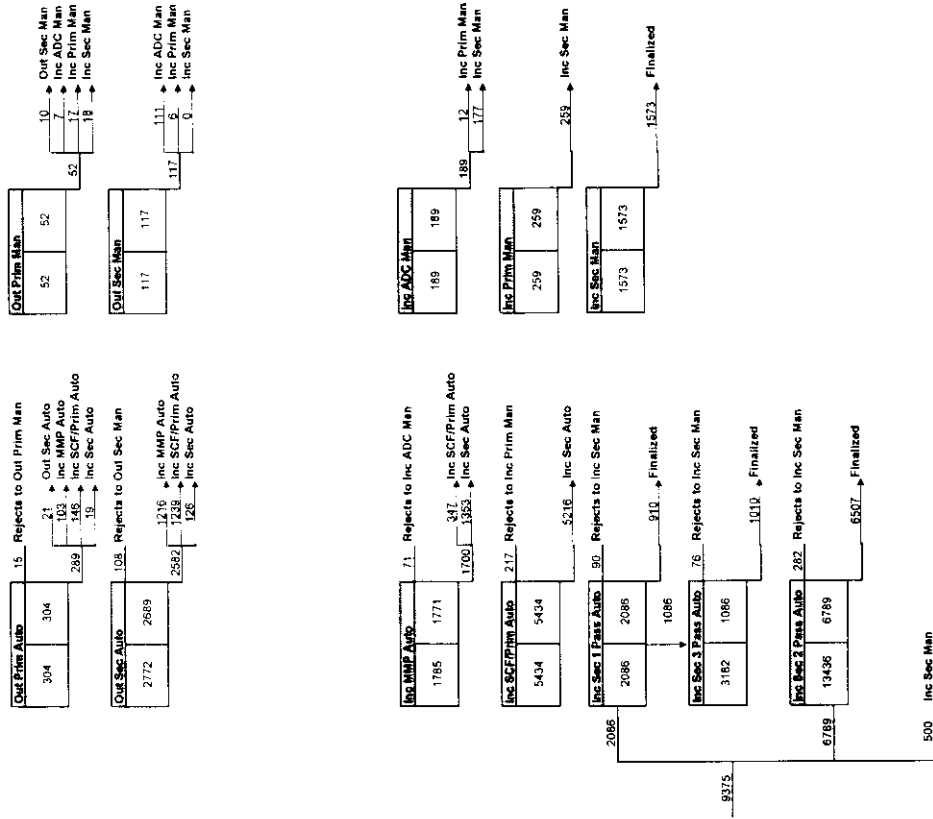
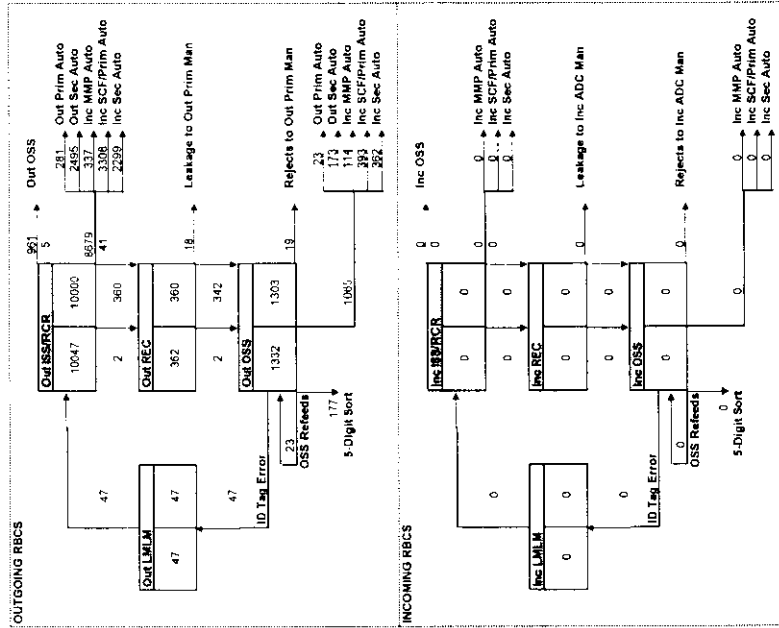
# FIRST-CLASS MAIL NONAUTO MACHINABLE MIXED AADC / AADC PRESORT LETTERS MAIL FLOW MODEL

PRC VERSION

PCS IN = 10000 PCS OUT = 10000

**ENTRY POINTS:**

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



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

## COST SHEET PRC VERSION

	(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
<b>Outgoing RBCS</b>									
ISS/RCR	0	6,283	\$30.840	0.491	2.187	1.014	0.007	1.080	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	9,205	\$30.840	0.335	1.903	1.014	0.005	0.642	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Outgoing Primary</b>									
Automation	0	5,740	\$30.840	0.537	1.960	1.014	0.007	1.061	0.000
Manual	0	467	\$30.840	6.600	1.375	1.014	0.090	9.164	0.000
<b>Outgoing Secondary</b>									
Automation	0	8,185	\$30.840	0.377	1.951	1.014	0.005	0.740	0.000
Manual	0	474	\$30.840	6.503	1.375	1.014	0.088	9.028	0.000
<b>Incoming RBCS</b>									
ISS	10,047	3,612	\$30.840	0.854	2.187	1.014	0.012	1.879	1.888
REC	362	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.159
OSS	1,332	8,568	\$30.840	0.360	1.830	1.014	0.005	0.664	0.088
LMLM	47	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.010
<b>Incoming MMP</b>									
Automation AADC	222	5,447	\$30.840	0.566	1.938	1.014	0.008	1.105	0.025
Manual ADC	46	525	\$30.840	5.880	1.396	1.014	0.080	8.285	0.038
<b>Incoming SCF/Primary</b>									
Automation	3,084	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.305
Manual	133	545	\$30.840	5.663	1.375	1.014	0.077	7.862	0.105
<b>5-Digit Barcode Sort</b>									
	177	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.018
<b>Incoming Secondaries</b>									
Auto Carrier Route	2,148	5,016	\$30.840	0.615	1.916	1.014	0.008	1.186	0.255
Auto 3-Pass DPS	3,276	28,255	\$30.840	0.109	2.003	1.014	0.001	0.220	0.072
Auto 2-Pass DPS	13,835	8,851	\$30.840	0.348	1.967	1.014	0.005	0.690	0.955
Man Inc Sec Final At Plant	976	470	\$30.840	6.558	1.375	1.014	0.089	9.105	0.889
Man Inc Sec Final At DU	346	1,149	\$30.840	2.685	1.375	1.014	0.036	3.728	0.129
Box Section Sort, DPS	689	2,366	\$30.840	1.304	1.396	1.014	0.018	1.837	0.127
Box Section Sort, Other	201	1,183	\$30.840	2.606	1.396	1.014	0.035	3.672	0.074

(10)  
MODEL COST = **5.136**

(11)  
DPS % = **77.40%**

- |  |   |
|--|---|
| (1) Values From "MODEL" Spreadsheet        | (7) [(6) - 1] * (4)   |
| (2) Values From "PRODUCTIVITY" Spreadsheet | (8) (4) * (5) + (7)   |
| (3) Values From "WAGE" Spreadsheet         | (9) (1) * (8) / 10,000 Pieces                               |
| (4) [(3) * (100 cents/dollar)] / (2)       | (10) Sum (9)  |
| (5) Values From "PIGGYBACK" Spreadsheet    | (11) (Pieces Finalized in DPS Operations) / (10,000 Pieces) |
| (6) Values From "WAGE" Spreadsheet         |   |

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

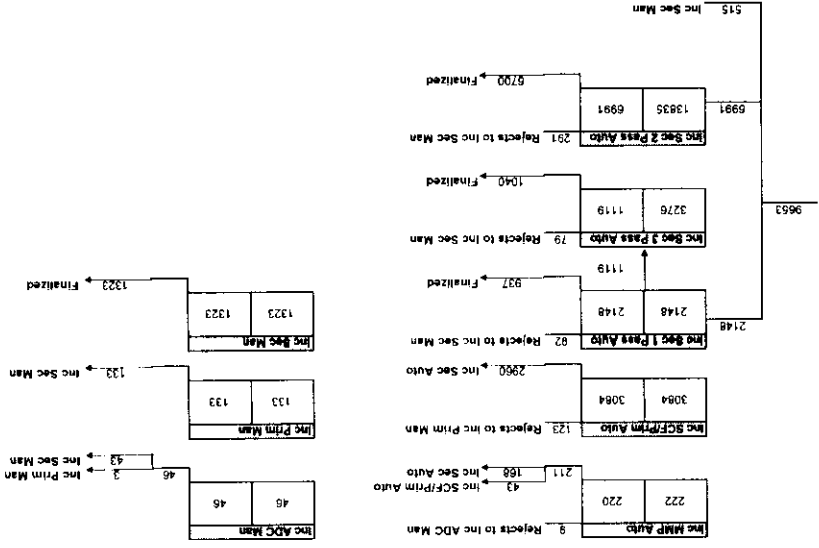
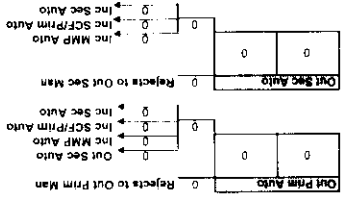
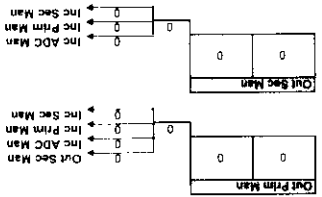
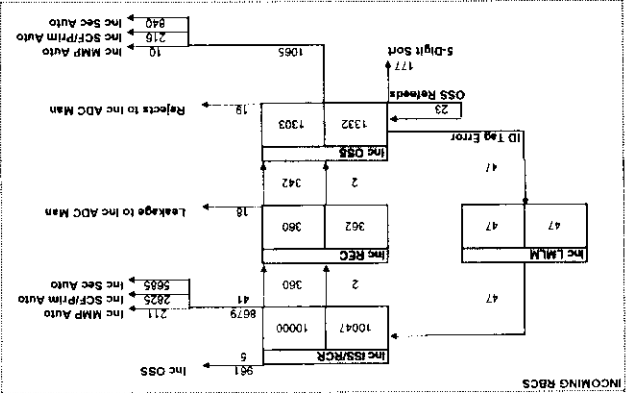
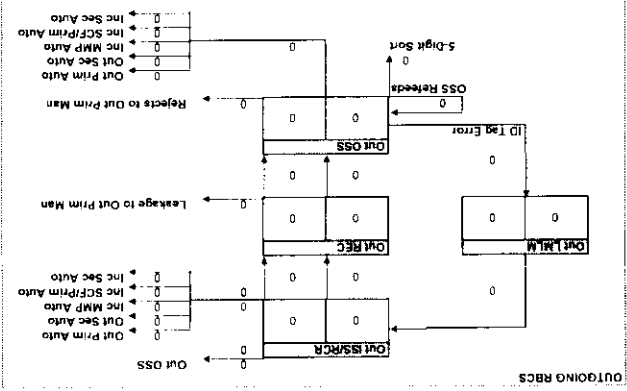
**MAIL FLOW MODEL**

PRC VERSION

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 ADC Man	0
Out Sec Man	0	Inc SCF/Prim Man	0
Out Prim Man	0	Inc Sec Man	0



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

	(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	--	--	--	--	--	--	0.586	0.586
<b>Outgoing RBCS</b>									
ISS/RCR	0	6,283	\$30.840	0.491	2.187	1.014	0.007	1.080	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	9,205	\$30.840	0.335	1.903	1.014	0.005	0.642	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Outgoing Primary</b>									
Automation	0	5,740	\$30.840	0.537	1.960	1.014	0.007	1.061	0.000
Manual	0	467	\$30.840	6.600	1.375	1.014	0.090	9.164	0.000
<b>Outgoing Secondary</b>									
Automation	0	8,185	\$30.840	0.377	1.951	1.014	0.005	0.740	0.000
Manual	10,000	474	\$30.840	6.503	1.375	1.014	0.088	9.028	9.028
<b>Incoming RBCS</b>									
ISS	0	3,612	\$30.840	0.854	2.187	1.014	0.012	1.879	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	8,568	\$30.840	0.360	1.830	1.014	0.005	0.664	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Incoming MMP</b>									
Automation AADC	0	5,447	\$30.840	0.566	1.938	1.014	0.008	1.105	0.000
Manual ADC	9,494	525	\$30.840	5.880	1.396	1.014	0.080	8.285	7.866
<b>Incoming SCF/Primary</b>									
Automation	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
Manual	1,092	545	\$30.840	5.663	1.375	1.014	0.077	7.862	0.859
<b>5-Digit Barcode Sort</b>									
	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
<b>Incoming Secondaries</b>									
Auto Carrier Route	0	5,016	\$30.840	0.615	1.916	1.014	0.008	1.186	0.000
Auto 3-Pass DPS	0	28,255	\$30.840	0.109	2.003	1.014	0.001	0.220	0.000
Auto 2-Pass DPS	0	8,851	\$30.840	0.348	1.967	1.014	0.005	0.690	0.000
Man Inc Sec Final At Plant	7,381	470	\$30.840	6.558	1.375	1.014	0.089	9.105	6.721
Man Inc Sec Final At DU	2,619	1,149	\$30.840	2.685	1.375	1.014	0.036	3.728	0.976
Box Section Sort, DPS	0	2,366	\$30.840	1.304	1.396	1.014	0.018	1.837	0.000
Box Section Sort, Other	890	1,183	\$30.840	2.606	1.396	1.014	0.035	3.672	0.327

(10)  
MODEL COST = **26.363**

(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

## COST SHEET

PRC VERSION

	(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	---	---	---	---	---	---	3.013	3.013
<b>Outgoing RBCS</b>									
ISS/RCR	0	6,283	\$30.840	0.491	2.187	1.014	0.007	1.080	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	9,205	\$30.840	0.335	1.903	1.014	0.005	0.642	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Outgoing Primary</b>									
Automation	0	5,740	\$30.840	0.537	1.960	1.014	0.007	1.061	0.000
Manual	0	467	\$30.840	6.600	1.375	1.014	0.090	9.164	0.000
<b>Outgoing Secondary</b>									
Automation	0	8,185	\$30.840	0.377	1.951	1.014	0.005	0.740	0.000
Manual	0	474	\$30.840	6.503	1.375	1.014	0.088	9.028	0.000
<b>Incoming RBCS</b>									
ISS	0	3,612	\$30.840	0.854	2.187	1.014	0.012	1.879	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	8,568	\$30.840	0.360	1.830	1.014	0.005	0.664	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Incoming MMP</b>									
Automation AADC	0	5,447	\$30.840	0.566	1.938	1.014	0.008	1.105	0.000
Manual ADC	10,000	525	\$30.840	5.880	1.396	1.014	0.080	8.285	8.285
<b>Incoming SCF/Primary</b>									
Automation	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
Manual	618	545	\$30.840	5.663	1.375	1.014	0.077	7.862	0.486
<b>5-Digit Barcode Sort</b>	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
<b>Incoming Secondaries</b>									
Auto Carrier Route	0	5,016	\$30.840	0.615	1.916	1.014	0.008	1.186	0.000
Auto 3-Pass DPS	0	28,255	\$30.840	0.109	2.003	1.014	0.001	0.220	0.000
Auto 2-Pass DPS	0	8,851	\$30.840	0.348	1.967	1.014	0.005	0.690	0.000
Man Inc Sec Final At Plant	7,381	470	\$30.840	6.558	1.375	1.014	0.089	9.105	6.721
Man Inc Sec Final At DU	2,619	1,149	\$30.840	2.685	1.375	1.014	0.036	3.728	0.976
Box Section Sort, DPS	0	2,366	\$30.840	1.304	1.396	1.014	0.018	1.837	0.000
Box Section Sort, Other	890	1,183	\$30.840	2.606	1.396	1.014	0.035	3.672	0.327

(10)  
MODEL COST = **19.808**

(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)

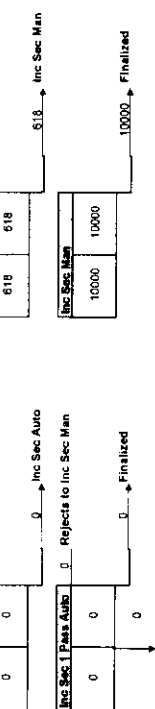
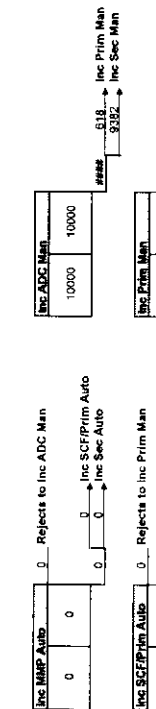
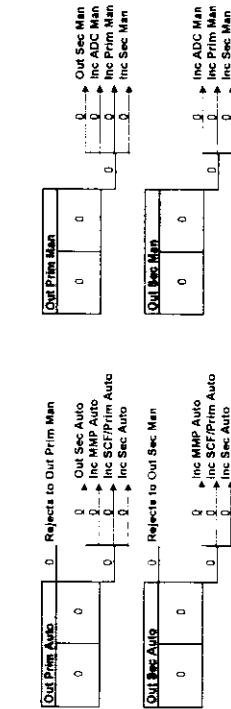
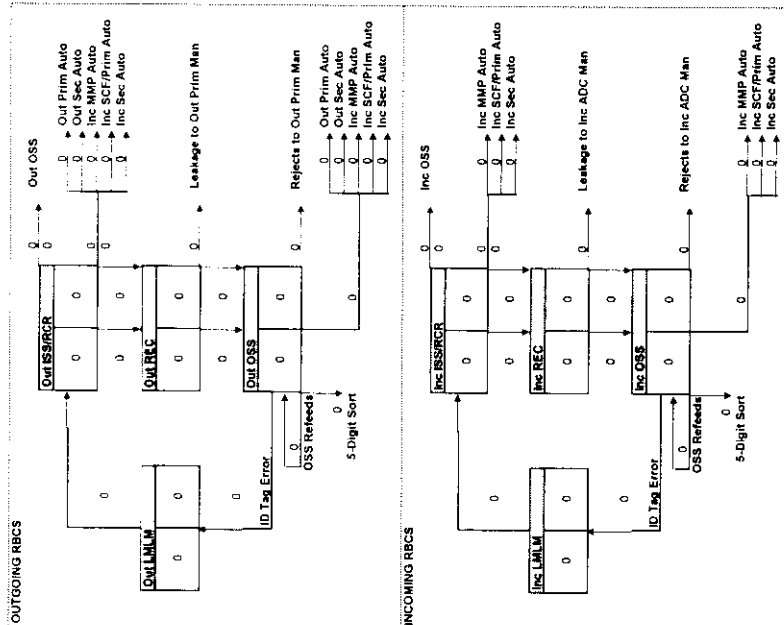
# FIRST-CLASS MAIL NONAUTO NONMACHINABLE ADC PRESORT LETTERS MAIL FLOW MODEL

PRC VERSION

PCS IN = 10000 PCS OUT = 10000

**ENTRY POINTS:**

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



# FIRST-CLASS MAIL NONAUTO NONMACHINABLE 3-DIGIT PRESORT LETTERS

## COST SHEET PRC VERSION

	(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	---	---	---	---	---	---	1.265	1.265
<b>Outgoing RBCS</b>									
ISS/RCR	0	6,283	\$30.840	0.491	2.187	1.014	0.007	1.080	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	9,205	\$30.840	0.335	1.903	1.014	0.005	0.642	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Outgoing Primary</b>									
Automation	0	5,740	\$30.840	0.537	1.960	1.014	0.007	1.061	0.000
Manual	0	467	\$30.840	6.600	1.375	1.014	0.090	9.164	0.000
<b>Outgoing Secondary</b>									
Automation	0	8,185	\$30.840	0.377	1.951	1.014	0.005	0.740	0.000
Manual	0	474	\$30.840	6.503	1.375	1.014	0.088	9.028	0.000
<b>Incoming RBCS</b>									
ISS	0	3,612	\$30.840	0.854	2.187	1.014	0.012	1.879	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	8,568	\$30.840	0.360	1.830	1.014	0.005	0.664	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Incoming MMP</b>									
Automation AADC	0	5,447	\$30.840	0.566	1.938	1.014	0.008	1.105	0.000
Manual ADC	0	525	\$30.840	5.880	1.396	1.014	0.080	8.285	0.000
<b>Incoming SCF/Primary</b>									
Automation	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
Manual	10,000	545	\$30.840	5.663	1.375	1.014	0.077	7.862	7.862
<b>5-Digit Barcode Sort</b>									
	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
<b>Incoming Secondaries</b>									
Auto Carrier Route	0	5,016	\$30.840	0.615	1.916	1.014	0.008	1.186	0.000
Auto 3-Pass DPS	0	28,255	\$30.840	0.109	2.003	1.014	0.001	0.220	0.000
Auto 2-Pass DPS	0	8,851	\$30.840	0.348	1.967	1.014	0.005	0.690	0.000
Man Inc Sec Final At Plant	7,381	470	\$30.840	6.558	1.375	1.014	0.089	9.105	6.721
Man Inc Sec Final At DU	2,619	1,149	\$30.840	2.685	1.375	1.014	0.036	3.728	0.976
Box Section Sort, DPS	0	2,366	\$30.840	1.304	1.396	1.014	0.018	1.837	0.000
Box Section Sort, Other	890	1,183	\$30.840	2.606	1.396	1.014	0.035	3.672	0.327

(10)  
MODEL COST = **17.151**

(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)  $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$



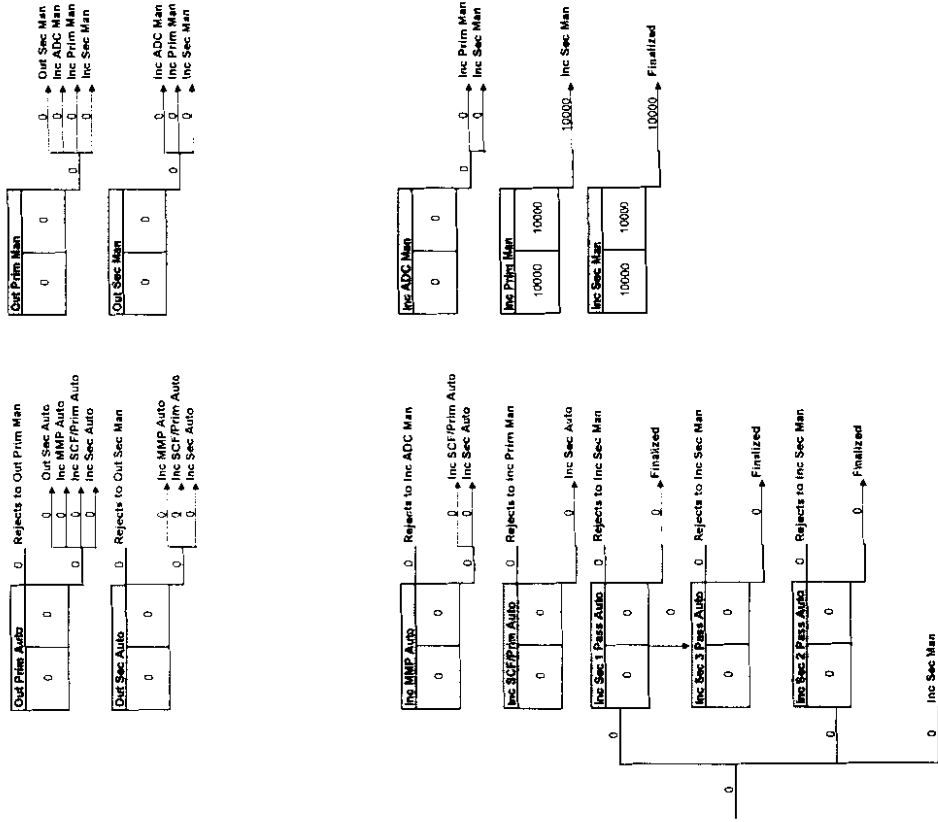
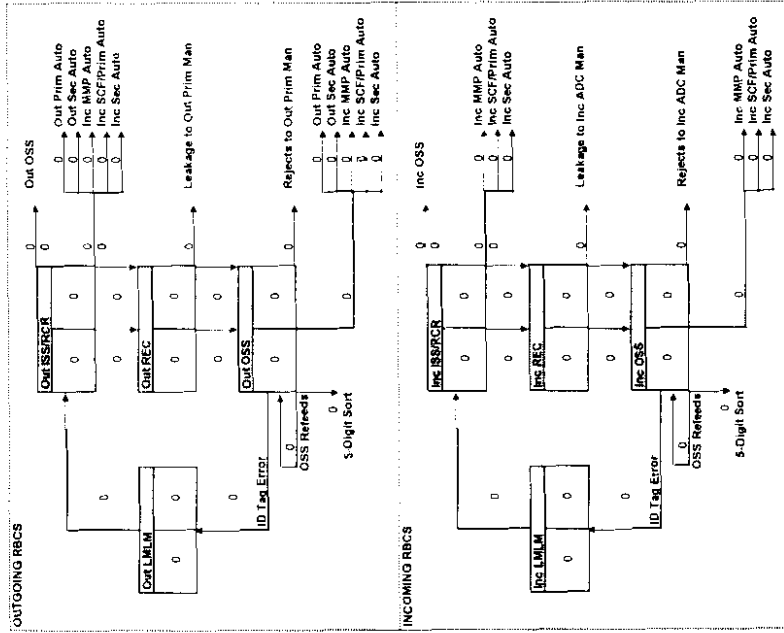
# FIRST-CLASS MAIL NONAUTO NONMACHINABLE 3-DIGIT PRESORT LETTERS MAIL FLOW MODEL

PRC VERSION

PCS IN = 10000 PCS OUT = 10000

**ENTRY POINTS:**

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



# FIRST-CLASS MAIL NONAUTO NONMACHINABLE 5-DIGIT PRESORT LETTERS

## COST SHEET

PRC VERSION

	(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
<b>Entry Activities</b>									
Package Sorting	10,000	---	---	---	---	---	---	0.793	0.793
<b>Outgoing RBCS</b>									
ISS/RCR	0	6,283	\$30.840	0.491	2.187	1.014	0.007	1.080	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	9,205	\$30.840	0.335	1.903	1.014	0.005	0.642	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Outgoing Primary</b>									
Automation	0	5,740	\$30.840	0.537	1.960	1.014	0.007	1.061	0.000
Manual	0	467	\$30.840	6.600	1.375	1.014	0.090	9.164	0.000
<b>Outgoing Secondary</b>									
Automation	0	8,185	\$30.840	0.377	1.951	1.014	0.005	0.740	0.000
Manual	0	474	\$30.840	6.503	1.375	1.014	0.088	9.028	0.000
<b>Incoming RBCS</b>									
ISS	0	3,612	\$30.840	0.854	2.187	1.014	0.012	1.879	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	8,568	\$30.840	0.360	1.830	1.014	0.005	0.664	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Incoming MMP</b>									
Automation AADC	0	5,447	\$30.840	0.566	1.938	1.014	0.008	1.105	0.000
Manual ADC	0	525	\$30.840	5.880	1.396	1.014	0.080	8.285	0.000
<b>Incoming SCF/Primary</b>									
Automation	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
Manual	0	545	\$30.840	5.663	1.375	1.014	0.077	7.862	0.000
<b>5-Digit Barcode Sort</b>									
	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
<b>Incoming Secondaries</b>									
Auto Carrier Route	0	5,016	\$30.840	0.615	1.916	1.014	0.008	1.186	0.000
Auto 3-Pass DPS	0	28,255	\$30.840	0.109	2.003	1.014	0.001	0.220	0.000
Auto 2-Pass DPS	0	8,851	\$30.840	0.348	1.967	1.014	0.005	0.690	0.000
Man Inc Sec Final At Plant	7,381	470	\$30.840	6.558	1.375	1.014	0.089	9.105	6.721
Man Inc Sec Final At DU	2,619	1,149	\$30.840	2.685	1.375	1.014	0.036	3.728	0.976
Box Section Sort, DPS	0	2,366	\$30.840	1.304	1.396	1.014	0.018	1.837	0.000
Box Section Sort, Other	890	1,183	\$30.840	2.606	1.396	1.014	0.035	3.672	0.327

(10)  
MODEL COST = **8.816**

(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)

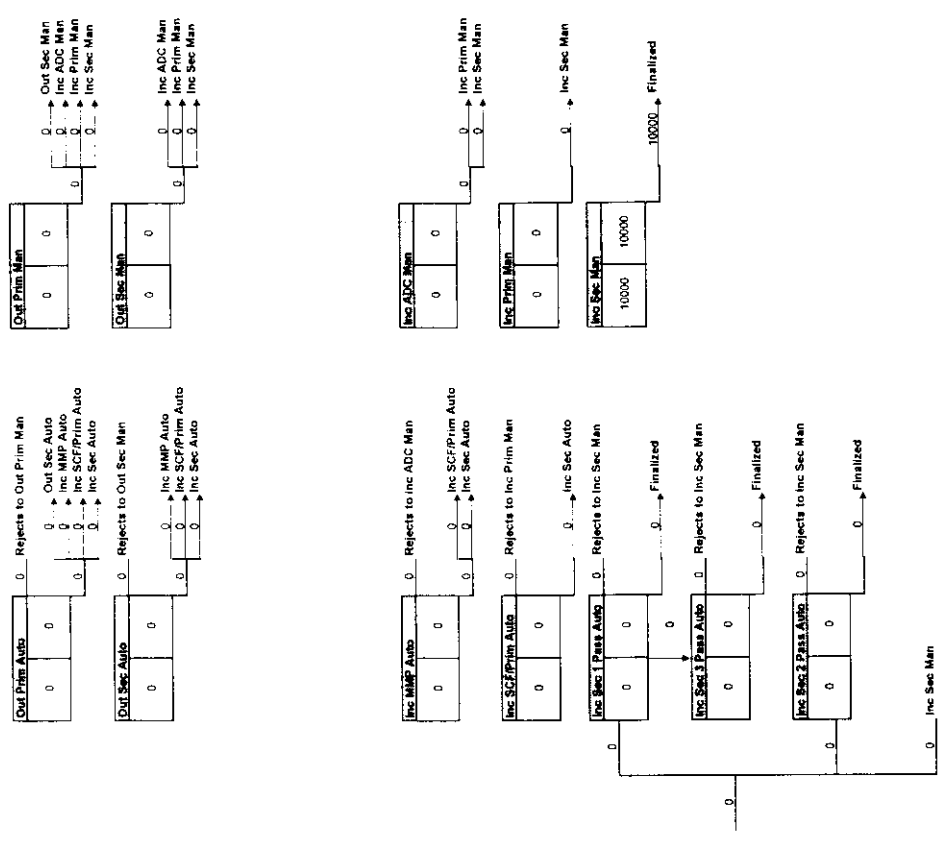
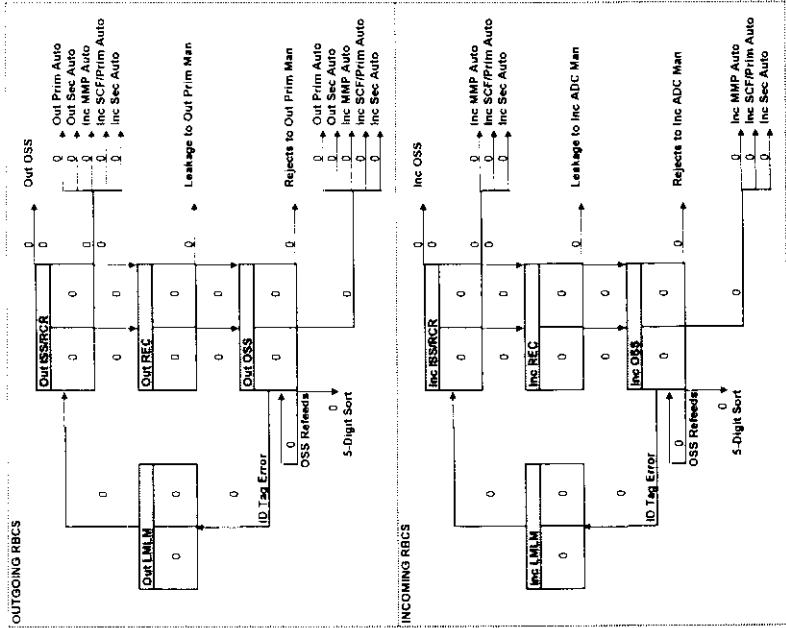
# FIRST-CLASS MAIL NONAUTO NONMACHINABLE 5-DIGIT PRESORT LETTERS MAIL FLOW MODEL

PRC VERSION

PCS IN = 10000 PCS OUT = 10000

**ENTRY POINTS:**

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



# FIRST-CLASS MAIL AUTO MIXED AADC PRESORT LETTERS

## COST SHEET

PRC VERSION

	(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
<b><u>Outgoing RBCS</u></b>									
ISS/RCR	0	6,283	\$30.840	0.491	2.187	1.014	0.007	1.080	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	9,205	\$30.840	0.335	1.903	1.014	0.005	0.642	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b><u>Outgoing Primary</u></b>									
Automation	0	5,740	\$30.840	0.537	1.960	1.014	0.007	1.061	0.000
Manual	0	467	\$30.840	6.600	1.375	1.014	0.090	9.164	0.000
<b><u>Outgoing Secondary</u></b>									
Automation	10,308	8,185	\$30.840	0.377	1.951	1.014	0.005	0.740	0.763
Manual	400	474	\$30.840	6.503	1.375	1.014	0.088	9.028	0.361
<b><u>Incoming RBCS</u></b>									
ISS	0	3,612	\$30.840	0.854	2.187	1.014	0.012	1.879	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	8,568	\$30.840	0.360	1.830	1.014	0.005	0.664	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b><u>Incoming MMP</u></b>									
Automation AADC	4,559	5,447	\$30.840	0.566	1.938	1.014	0.008	1.105	0.504
Manual ADC	561	525	\$30.840	5.880	1.396	1.014	0.080	8.285	0.465
<b><u>Incoming SCF/Primary</u></b>									
Automation	5,496	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.544
Manual	275	545	\$30.840	5.663	1.375	1.014	0.077	7.862	0.216
<b><u>5-Digit Barcode Sort</u></b>									
	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
<b><u>Incoming Secondaries</u></b>									
Auto Carner Route	2,047	5,016	\$30.840	0.615	1.916	1.014	0.008	1.186	0.243
Auto 3-Pass DPS	3,122	28,255	\$30.840	0.109	2.003	1.014	0.001	0.220	0.069
Auto 2-Pass DPS	13,184	8,851	\$30.840	0.348	1.967	1.014	0.005	0.690	0.910
Man Inc Sec Final At Plant	1,278	470	\$30.840	6.558	1.375	1.014	0.089	9.105	1.163
Man Inc Sec Final At DU	453	1,149	\$30.840	2.685	1.375	1.014	0.036	3.728	0.169
Box Section Sort, DPS	656	2,366	\$30.840	1.304	1.396	1.014	0.018	1.837	0.121
Box Section Sort, Other	234	1,183	\$30.840	2.606	1.396	1.014	0.035	3.672	0.086

(10)  
MODEL COST = **5.613**

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

- (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)

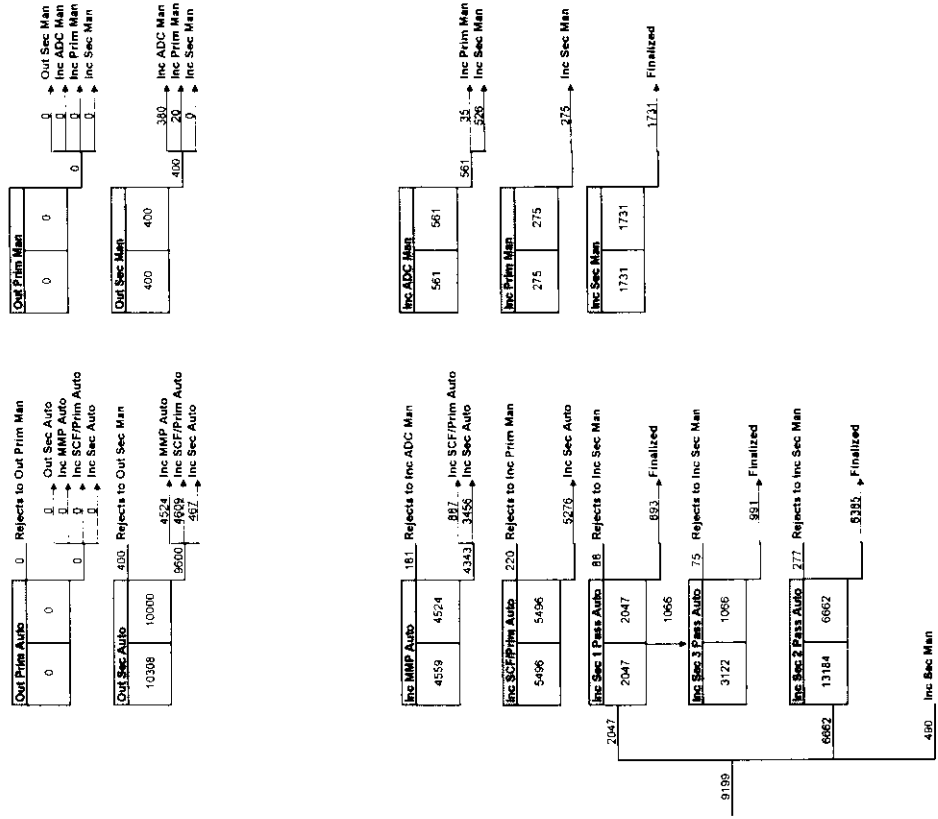
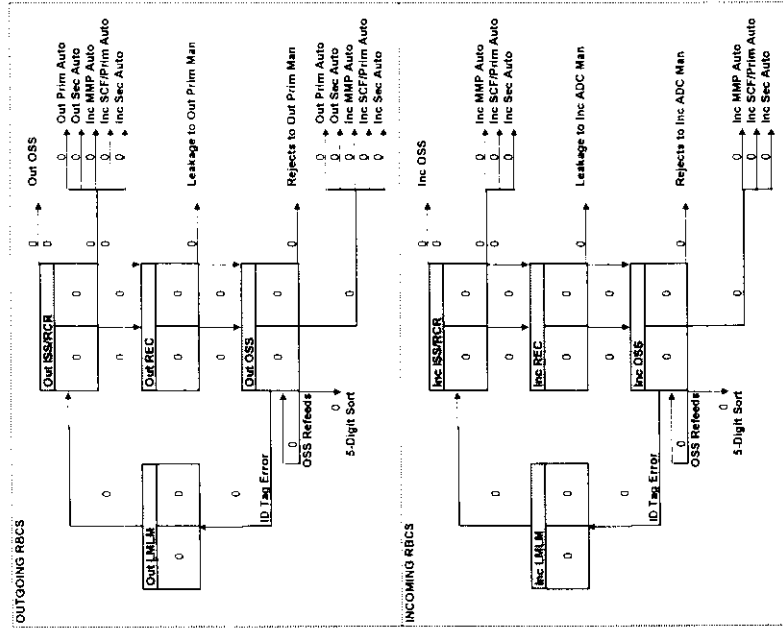
# FIRST-CLASS MAIL AUTO MIXED AADC PRESORT LETTERS MAIL FLOW MODEL

PRC VERSION

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out ISS/RCR	0	Inc ISS/RCR	0
Out Prim Auto	0	Inc MMP 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



# FIRST-CLASS MAIL AUTO AADC PRESORT LETTERS

## COST SHEET

PRC VERSION

	(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
<b>Outgoing RBCS</b>									
ISS/RRCR	0	6,283	\$30.840	0.491	2.187	1.014	0.007	1.080	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	9,205	\$30.840	0.335	1.903	1.014	0.005	0.642	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Outgoing Primary</b>									
Automation	0	5,740	\$30.840	0.537	1.960	1.014	0.007	1.061	0.000
Manual	0	467	\$30.840	6.600	1.375	1.014	0.090	9.164	0.000
<b>Outgoing Secondary</b>									
Automation	0	8,185	\$30.840	0.377	1.951	1.014	0.005	0.740	0.000
Manual	0	474	\$30.840	6.503	1.375	1.014	0.088	9.028	0.000
<b>Incoming RBCS</b>									
ISS	0	3,612	\$30.840	0.854	2.187	1.014	0.012	1.879	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	8,568	\$30.840	0.360	1.830	1.014	0.005	0.664	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Incoming MMP</b>									
Automation AADC	10,079	5,447	\$30.840	0.566	1.938	1.014	0.008	1.105	1.114
Manual ADC	400	525	\$30.840	5.880	1.396	1.014	0.080	8.285	0.331
<b>Incoming SCF/Primary</b>									
Automation	1,961	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.194
Manual	103	545	\$30.840	5.663	1.375	1.014	0.077	7.862	0.081
<b>5-Digit Barcode Sort</b>									
	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
<b>Incoming Secondaries</b>									
Auto Carrier Route	2,119	5,016	\$30.840	0.615	1.916	1.014	0.008	1.186	0.251
Auto 3-Pass DPS	3,232	28,255	\$30.840	0.109	2.003	1.014	0.001	0.220	0.071
Auto 2-Pass DPS	13,646	8,851	\$30.840	0.348	1.967	1.014	0.005	0.690	0.942
Man Inc Sec Final At Plant	1,064	470	\$30.840	6.558	1.375	1.014	0.089	9.105	0.969
Man Inc Sec Final At DU	377	1,149	\$30.840	2.685	1.375	1.014	0.036	3.728	0.141
Box Section Sort, DPS	680	2,366	\$30.840	1.304	1.396	1.014	0.018	1.837	0.125
Box Section Sort, Other	210	1,183	\$30.840	2.606	1.396	1.014	0.035	3.672	0.077

(10)  
MODEL COST = **4.296**

(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**

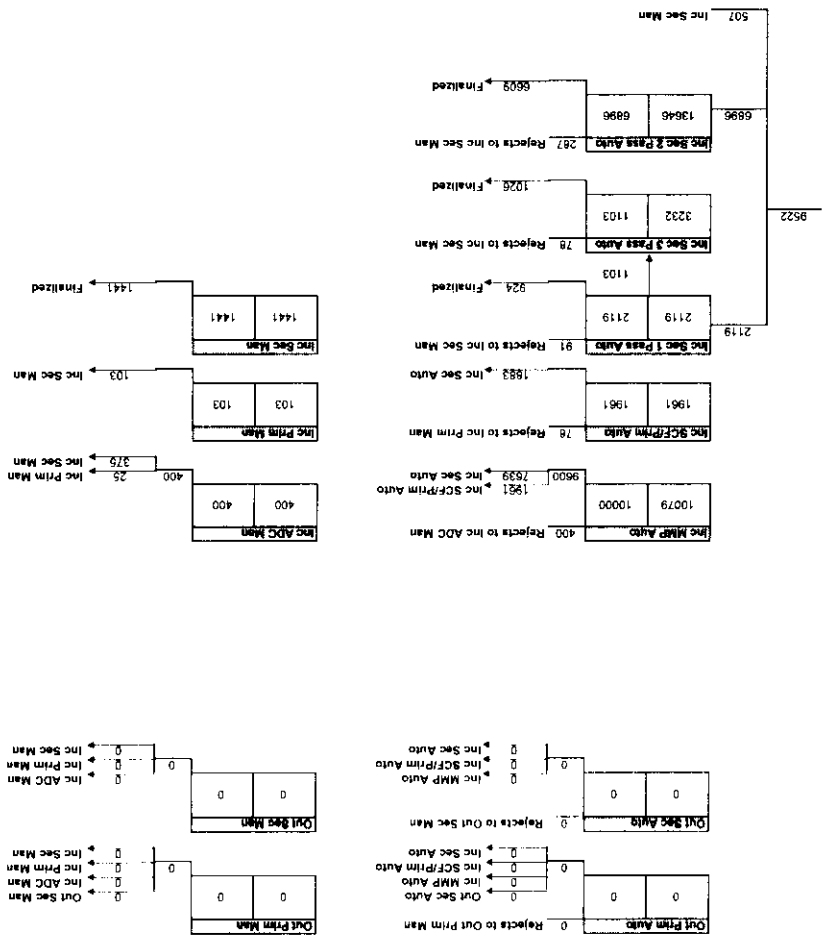
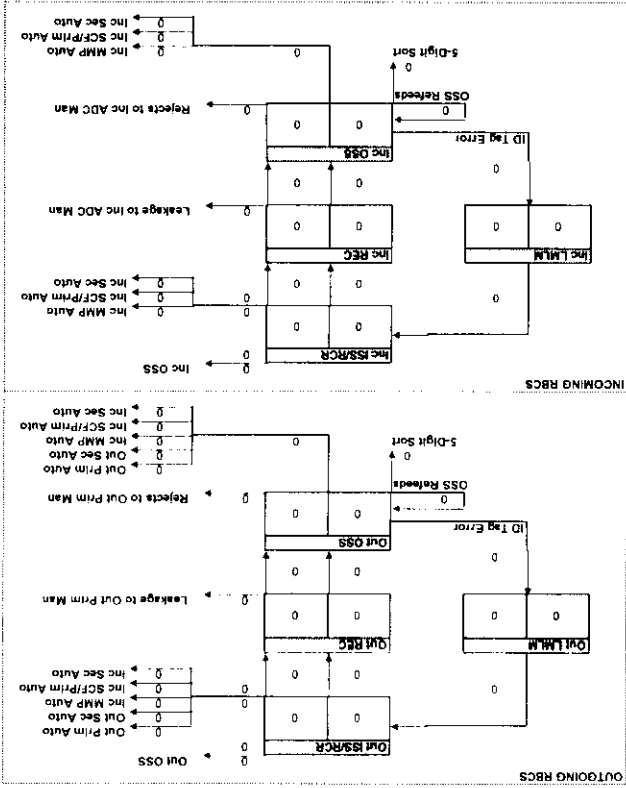
MAIL FLOW MODEL

PRC VERSION

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

Out ISS/RCR	0
Out ISS/RCR	0
Out Prim Auto	10000
Out Prim Auto	0
Out Sec Auto	0
Out Prim Man	0
Out Sec Man	0
Out Prim Man	0
Out Sec Man	0
Out Prim Man	0
Out Sec Man	0



# FIRST-CLASS MAIL AUTO 3-DIGIT PRESORT LETTERS

## COST SHEET

PRC VERSION

	(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
<b><u>Outgoing RBCS</u></b>									
ISS/RCR	0	6,283	\$30.840	0.491	2.187	1.014	0.007	1.080	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	9,205	\$30.840	0.335	1.903	1.014	0.005	0.642	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b><u>Outgoing Primary</u></b>									
Automation	0	5,740	\$30.840	0.537	1.960	1.014	0.007	1.061	0.000
Manual	0	467	\$30.840	6.600	1.375	1.014	0.090	9.164	0.000
<b><u>Outgoing Secondary</u></b>									
Automation	0	8,185	\$30.840	0.377	1.951	1.014	0.005	0.740	0.000
Manual	0	474	\$30.840	6.503	1.375	1.014	0.088	9.028	0.000
<b><u>Incoming RBCS</u></b>									
ISS	0	3,612	\$30.840	0.854	2.187	1.014	0.012	1.879	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	8,568	\$30.840	0.360	1.830	1.014	0.005	0.664	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b><u>Incoming MMP</u></b>									
Automation AADC	0	5,447	\$30.840	0.566	1.938	1.014	0.008	1.105	0.000
Manual ADC	0	525	\$30.840	5.880	1.396	1.014	0.080	8.285	0.000
<b><u>Incoming SCF/Primary</u></b>									
Automation	10,000	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.990
Manual	400	545	\$30.840	5.663	1.375	1.014	0.077	7.862	0.314
<b><u>5-Digit Barcode Sort</u></b>									
	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
<b><u>Incoming Secondaries</u></b>									
Auto Carrier Route	2,136	5,016	\$30.840	0.615	1.916	1.014	0.008	1.186	0.253
Auto 3-Pass DPS	3,258	28,255	\$30.840	0.109	2.003	1.014	0.001	0.220	0.072
Auto 2-Pass DPS	13,759	8,851	\$30.840	0.348	1.967	1.014	0.005	0.690	0.950
Man Inc Sec Final At Plant	1,012	470	\$30.840	6.558	1.375	1.014	0.089	9.105	0.921
Man Inc Sec Final At DU	359	1,149	\$30.840	2.685	1.375	1.014	0.036	3.728	0.134
Box Section Sort, DPS	685	2,366	\$30.840	1.304	1.396	1.014	0.018	1.837	0.126
Box Section Sort, Other	205	1,183	\$30.840	2.606	1.396	1.014	0.035	3.672	0.075

(10)  
MODEL COST = **3.835**

(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

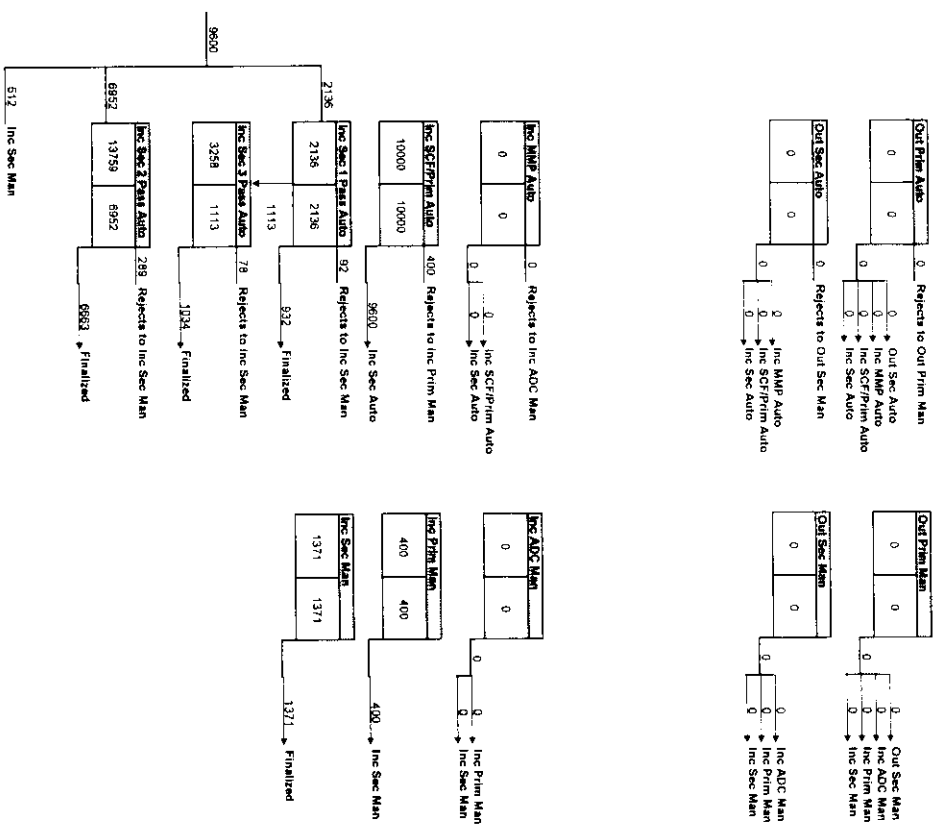
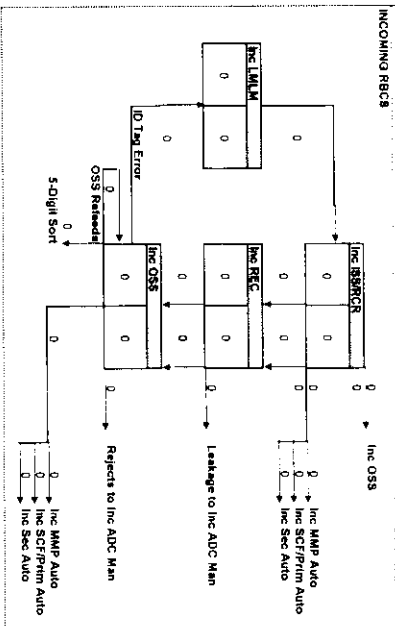
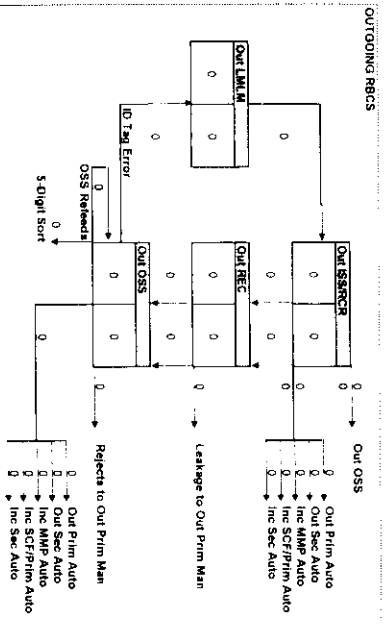
PREC VERSION

PCS IN = 10000

PCS OUT = 10000

**ENTRY POINTS:**

Out ISSR/CR	0	Inc ISSR/CR	0
Out Prim Man	0	Inc MPM Auto	10000
Out Sec Auto	0	Inc Sec Auto	0
Out Prim Man	0	Inc ADC Man	0
Out Sec Man	0	Inc SCF/Prim Auto	0
		Inc Sec Man	0



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

## COST SHEET

PRC VERSION

	(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	7,242	---	---	---	---	---	---	0.000	0.000
<b>Outgoing RBCS</b>									
ISS/RCR	0	6,283	\$30.840	0.491	2.187	1.014	0.007	1.080	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	9,205	\$30.840	0.335	1.903	1.014	0.005	0.642	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Outgoing Primary</b>									
Automation	0	5,740	\$30.840	0.537	1.960	1.014	0.007	1.061	0.000
Manual	0	467	\$30.840	6.600	1.375	1.014	0.090	9.164	0.000
<b>Outgoing Secondary</b>									
Automation	0	8,185	\$30.840	0.377	1.951	1.014	0.005	0.740	0.000
Manual	0	474	\$30.840	6.503	1.375	1.014	0.088	9.028	0.000
<b>Incoming RBCS</b>									
ISS	0	3,612	\$30.840	0.854	2.187	1.014	0.012	1.879	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	8,568	\$30.840	0.360	1.830	1.014	0.005	0.664	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Incoming MMP</b>									
Automation AADC	0	5,447	\$30.840	0.566	1.938	1.014	0.008	1.105	0.000
Manual ADC	0	525	\$30.840	5.880	1.396	1.014	0.080	8.285	0.000
<b>Incoming SCF/Primary</b>									
Automation	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
Manual	0	545	\$30.840	5.663	1.375	1.014	0.077	7.862	0.000
<b>5-Digit Barcode Sort</b>									
	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
<b>Incoming Secondaries</b>									
Auto Carrier Route	0	5,016	\$30.840	0.615	1.916	1.014	0.008	1.186	0.000
Auto 3-Pass DPS	0	28,255	\$30.840	0.109	2.003	1.014	0.001	0.220	0.000
Auto 2-Pass DPS	14,332	8,851	\$30.840	0.348	1.967	1.014	0.005	0.690	1.366
Man Inc Sec Final At Plant	222	470	\$30.840	6.558	1.375	1.014	0.089	9.105	0.279
Man Inc Sec Final At DU	79	1,149	\$30.840	2.685	1.375	1.014	0.036	3.728	0.041
Box Section Sort, DPS	618	2,366	\$30.840	1.304	1.396	1.014	0.018	1.837	0.157
Box Section Sort, Other	27	1,183	\$30.840	2.606	1.396	1.014	0.035	3.672	0.014

(10)  
MODEL COST = **1.856**

(11)  
DPS % = **95.84%**

- (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 5-DIGIT PRESORT LETTERS (OTHER SITES)

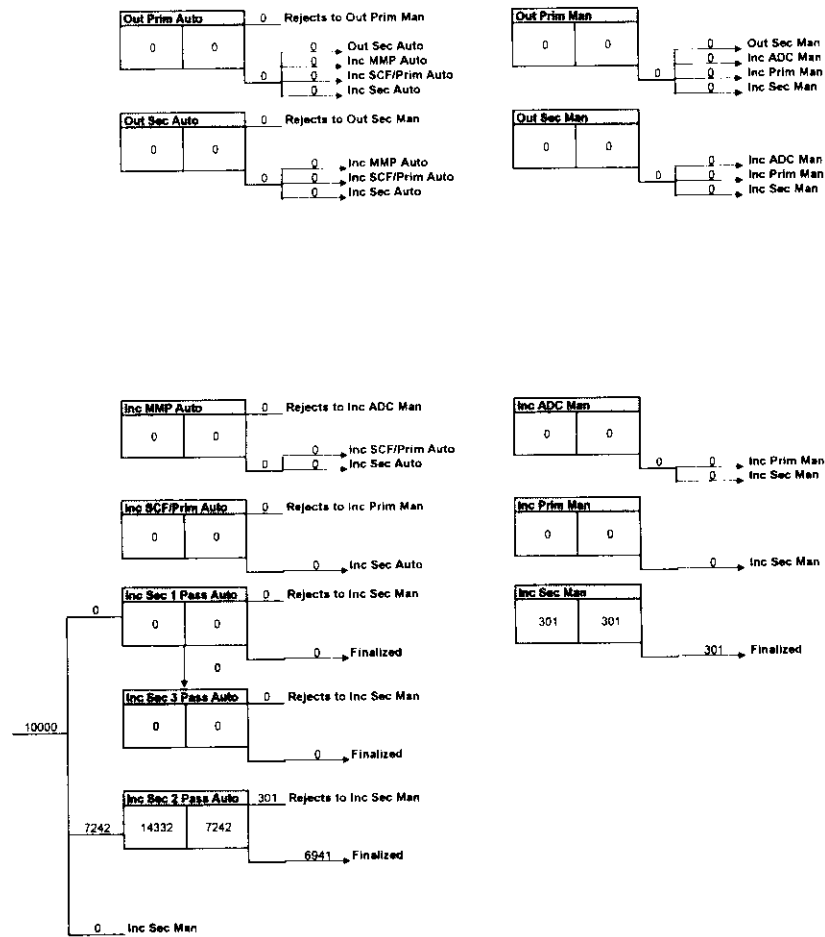
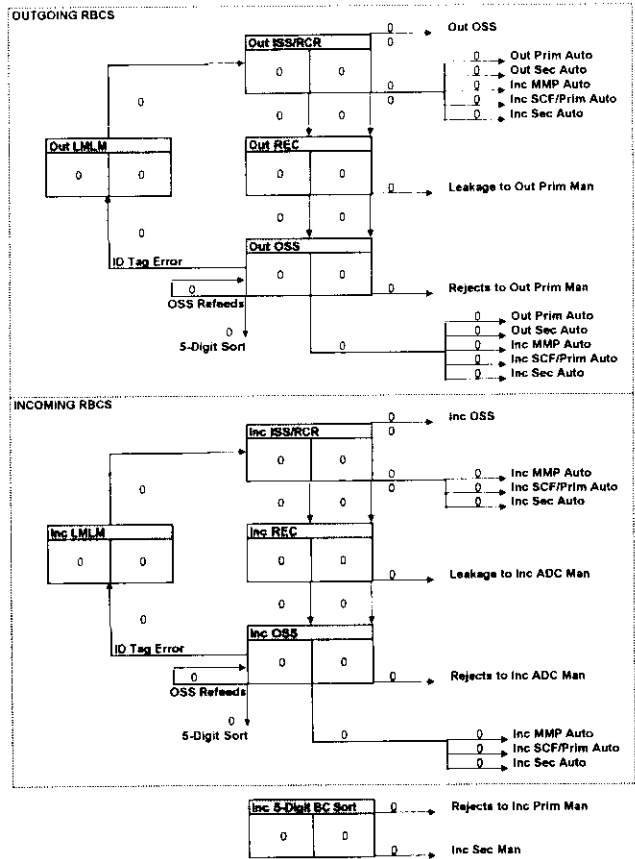
#### MAIL FLOW MODEL

PRC VERSION

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 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



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

## COST SHEET

PRC VERSION

	(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
<b>Outgoing RBCS</b>									
ISS/RCR	0	6,283	\$30.840	0.491	2.187	1.014	0.007	1.080	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	9,205	\$30.840	0.335	1.903	1.014	0.005	0.642	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Outgoing Primary</b>									
Automation	0	5,740	\$30.840	0.537	1.960	1.014	0.007	1.061	0.000
Manual	0	467	\$30.840	6.600	1.375	1.014	0.090	9.164	0.000
<b>Outgoing Secondary</b>									
Automation	0	8,185	\$30.840	0.377	1.951	1.014	0.005	0.740	0.000
Manual	0	474	\$30.840	6.503	1.375	1.014	0.088	9.028	0.000
<b>Incoming RBCS</b>									
ISS	0	3,612	\$30.840	0.854	2.187	1.014	0.012	1.879	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	8,568	\$30.840	0.360	1.830	1.014	0.005	0.664	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Incoming MMP</b>									
Automation AADC	0	5,447	\$30.840	0.566	1.938	1.014	0.008	1.105	0.000
Manual ADC	0	525	\$30.840	5.880	1.396	1.014	0.080	8.285	0.000
<b>Incoming SCF/Primary</b>									
Automation	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
Manual	0	545	\$30.840	5.663	1.375	1.014	0.077	7.862	0.000
<b>5-Digit Barcode Sort</b>									
	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
<b>Incoming Secondaries</b>									
Auto Corner Route	2,225	5,016	\$30.840	0.615	1.916	1.014	0.008	1.186	0.957
Auto 3-Pass DPS	3,394	28,255	\$30.840	0.109	2.003	1.014	0.001	0.220	0.271
Auto 2-Pass DPS	0	8,851	\$30.840	0.348	1.967	1.014	0.005	0.690	0.000
Man Inc Sec Final At Plant	524	470	\$30.840	6.558	1.375	1.014	0.089	9.105	1.730
Man Inc Sec Final At DU	186	1,149	\$30.840	2.685	1.375	1.014	0.036	3.728	0.251
Box Section Sort, DPS	96	2,366	\$30.840	1.304	1.396	1.014	0.018	1.837	0.064
Box Section Sort, Other	150	1,183	\$30.840	2.606	1.396	1.014	0.035	3.672	0.199

(10)  
MODEL COST = 3.473

(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 CARRIER ROUTE PRESORT LETTERS**  
**COST SHEET**  
PRC VERSION

	(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
<b>Entry Activities</b>									
Package Sorting	10,000	---	---	---	---	---	---	0.000	0.000
<b>Outgoing RBCS</b>									
ISS/RCR	0	6,283	\$30.840	0.491	2.187	1.014	0.007	1.080	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	9,205	\$30.840	0.335	1.903	1.014	0.005	0.642	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Outgoing Primary</b>									
Automation	0	5,740	\$30.840	0.537	1.960	1.014	0.007	1.061	0.000
Manual	0	467	\$30.840	6.600	1.375	1.014	0.090	9.164	0.000
<b>Outgoing Secondary</b>									
Automation	0	8,185	\$30.840	0.377	1.951	1.014	0.005	0.740	0.000
Manual	0	474	\$30.840	6.503	1.375	1.014	0.088	9.028	0.000
<b>Incoming RBCS</b>									
ISS	0	3,612	\$30.840	0.854	2.187	1.014	0.012	1.879	0.000
REC	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	0.000
OSS	0	8,568	\$30.840	0.360	1.830	1.014	0.005	0.664	0.000
LMLM	0	3,749	\$30.840	0.823	2.593	1.014	0.011	2.144	0.000
<b>Incoming MMP</b>									
Automation AADC	0	5,447	\$30.840	0.566	1.938	1.014	0.008	1.105	0.000
Manual ADC	0	525	\$30.840	5.880	1.396	1.014	0.080	8.285	0.000
<b>Incoming SCF/Primary</b>									
Automation	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
Manual	0	545	\$30.840	5.663	1.375	1.014	0.077	7.862	0.000
<b>5-Digit Barcode Sort</b>									
	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
<b>Incoming Secondaries</b>									
Auto Carrier Route	0	5,016	\$30.840	0.615	1.916	1.014	0.008	1.186	0.000
Auto 3-Pass DPS	12,859	28,255	\$30.840	0.109	2.003	1.014	0.001	0.220	0.283
Auto 2-Pass DPS	0	8,851	\$30.840	0.348	1.967	1.014	0.005	0.690	0.000
Man Inc Sec Final At Plant	228	470	\$30.840	6.558	1.375	1.014	0.089	9.105	0.207
Man Inc Sec Final At DU	81	1,149	\$30.840	2.685	1.375	1.014	0.036	3.728	0.030
Box Section Sort, DPS	363	2,366	\$30.840	1.304	1.396	1.014	0.018	1.837	0.067
Box Section Sort, Other	527	1,183	\$30.840	2.606	1.396	1.014	0.035	3.672	0.193

(10)  
MODEL COST = **0.781**

(11)  
DPS % = **40.82%**

- (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

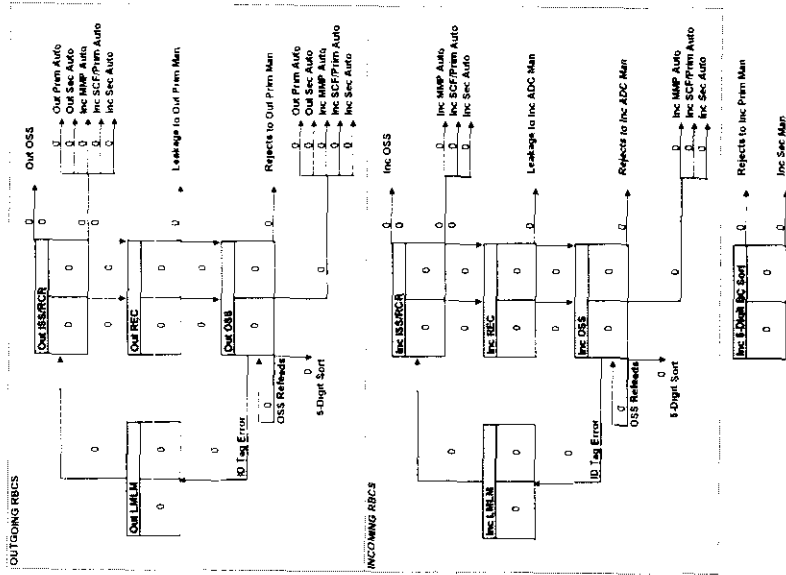
- (7)  $[(6) - 1] * (4)$
- (8)  $(4) * (5) + (7)$
- (9)  $(1) * (8) / 10,000 \text{ Pieces}$
- (10) Sum (9)
- (11)  $(\text{Pieces Finalized in DPS Operations}) / (10,000 \text{ Pieces})$

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

PCS IN = 10000 PCS OUT = 10000

**ENTRY POINTS:**

Out Error	0	In Error	0
Out Prim Auto	0	In MWP Auto	0
Out Sec Auto	0	In SCF/Prim Auto	0
Out Prim Man	0	In Sec Auto	10000
Out Sec Man	0	In Prim Man	0
		In ADC Man	0
		In SCF/Prim Man	0
		In Sec Man	0



**MARGINAL (VOLUME VARIABLE) PRODUCTIVITIES**  
PRC VERSION

<u>Description</u>	(1)	(2)	<u>Productivity Source</u>	(3)
	<u>Variability Factor</u>	<u>MODS Productivity</u>		<u>Marginal Productivity</u>
Outgoing ISS	0.998	6269	USPS LR-J-56	6,283
Incoming ISS	0.998	3604	USPS LR-J-56	3,612
REC	1.000	698	USPS LR-J-56	698
LMLM	1.000	3749	USPS LR-J-56	3,749
Outgoing OSS	0.997	9177	USPS LR-J-56	9,205
Incoming OSS	0.997	8539	USPS LR-J-56	8,568
Outgoing BCS Primary	0.997	5724	USPS LR-J-56	5,740
Outgoing BCS Secondary	0.997	8162	USPS LR-J-56	8,185
Incoming BCS MMP	0.997	5431	USPS LR-J-56	5,447
Incoming BCS SCF/Primary	0.997	5959	USPS LR-J-56	5,977
Incoming BCS Secondary Carrier Route	0.997	5001	USPS LR-J-56	5,016
Incoming BCS Secondary DPS (2 Pass)	0.997	8826	USPS LR-J-56	8,851
Incoming CSBCS Secondary DPS (3 Pass)	0.997	28,156	USPS LR-J-56	28,255
Manual Outgoing Primary	0.995	465	USPS LR-J-56	467
Manual Outgoing Secondary	0.995	472	USPS LR-J-56	474
Manual ADC	0.995	522	USPS LR-J-56	525
Manual Incoming SCF/Primary	0.995	542	USPS LR-J-56	545
Manual Incoming Secondary, MODS Site	0.995	468	USPS LR-J-56	470
Manual Incoming Secondary Non MODS Sites	0.995	1,143	Docket No. MC95-1, Exhibit USPS-T-10F	1,149
P.O. Box Sort DPS	0.990	2,341	Docket No. MC95-1, Exhibit USPS-T-10F	2,366
P.O. Box Sort Other	0.990	1,171	Docket No. MC95-1, Exhibit USPS-T-10F	1,183
Tray Opening Unit Bundle Sorting	0.990	160	Docket No. MC95-1, Exhibit USPS-T-10B	162

- (1) USPS LR-J-55
- (2) Data Sources As Indicated
- (3) (2) / (1)



**TEST YEAR WAGE RATES**  
**PRC VERSION**

<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	1.014

**PIGGYBACK FACTORS**  
**PRC VERSION**

<u>EQUIPMENT</u> <u>DESCRIPTION</u>	<u>SOURCE</u>	<u>VALUE</u>
MLOCR	USPS LR-J-53	2.187
REC	USPS LR-J-52	1.488
LMLM	USPS LR-J-52	2.593
MPBCS	USPS LR-J-52	1.795
DBCS	USPS LR-J-52	1.967
CSBCS	USPS LR-J-52	2.003
Manual	USPS LR-J-53	1.375
Manual P.O. Box	USPS LR-J-53	1.396
Tray Opening Unit Bundle Sorting	USPS LR-J-53	1.556
<b><u>OPERATION</u></b>		<b>(1)</b>
<b><u>DESCRIPTION</u></b>		<b><u>VALUE</u></b>
Outgoing ISS		2.187
Outgoing REC		1.488
Outgoing OSS		1.903
Outgoing LMLM		2.593
Outgoing Prim Auto		1.960
Outgoing Prim Man		1.375
Outgoing Sec Auto		1.951
Outgoing Sec Man		1.375
Incoming ISS		2.187
Incoming REC		1.488
Incoming OSS		1.830
Incoming LMLM		2.593
Incoming MMP Auto		1.938
Incoming ADC Man		1.396
Incoming SCF/Prim Auto		1.905
Incoming SCF/Prim Man		1.375
Incoming 5-Digit Barcode Sort		1.905
Incoming Sec Auto Carrier Route		1.916
Incoming Sec Auto 3-Pass DPS		2.003
Incoming Sec Auto 2-Pass DPS		1.967
Man Inc Sec Final At Plant		1.375
Man Inc Sec Final At DU		1.375
Box Section Sort, DPS		1.396
Box Section Sort, Other		1.396
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****PRC VERSION**

<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%	
273	Incoming MMP OSS - DBCS	697,271,100	13.70%	20.45%
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**  
PRC VERSION

Rate Category	Tray Presort Level	Entry Point	Source	Volume	Percent
<b>Nonautomation OCR Upgradable</b>				<b>3,152,997</b>	<b>100.00%</b>
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%
<b>Nonautomation Non-OCR Upgradable</b>				<b>505,318</b>	<b>100.00%</b>
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%
<b>Nonautomation Non-OCR Not Upgradable</b>				<b>2,874,842</b>	<b>100.00%</b>
<b>55.56% = % nonmachinable</b>					
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%
<b>Automation Basic</b>				<b>4,259,378</b>	<b>100.00%</b>
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%
<b>Automation 3-Digit</b>			Docket No. R97-1, LR-H-185	<b>19,388,008</b>	
<b>Automation 5-Digit</b>			Docket No. R97-1, LR-H-185	<b>8,967,204</b>	
<b>Total Nonautomation and Automation Presort</b>				<b>39,147,747</b>	



**PRESORT LETTERS MAIL FLOW DENSITIES**

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

<u>From Operation</u>	-----OUTGOING-----			-----INCOMING-----			<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

### PRC VERSION

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

**PACKAGE SORTING COSTS**

PRC VERSION

Test Year Wage Rate	=	\$30.840	(1)
Productivity	=	162	(2)
Piggyback Factor	=	1.556	(3)
Premium Pay Factor	=	1.014	(4)

Cost (Cents) Per Package = 29.955 (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)	14.977	23.964	38.941	
3-Digit Packages					
No. of Operations	(6)	0.5	1.0		0.5
Cost Per Sort	(7)	14.977	29.955		14.977
ADC Packages					
No. of Operations	(6)	1.0			1.0
Cost Per Sort	(7)	29.955			29.955
Mixed ADC Packages					
No. of Operations	(6)				1.0
Cost Per Sort	(7)				29.955

Packages/Container Type	(8) 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) Pieces Per Package	(14) Cost Per Piece	(15) Non-OCR Volume	(16) %	(17) %	(18) Pieces Per Package	(19) Cost Per Piece
Full 5-Digit Trays	0.000	0.000	0.000	0.000	0.000	183,056	36.23%	100.00%	0.0	0.000	1,032,992	35.93%	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	38.941	0.000	38.941	179,285	35.48%	69.11%	35.0	0.273	1,103,615	38.39%	100.00%	31.7	0.472
3-Digit Packages in 3 Digit Trays	0.000	0.000	0.000	14.977	14.977	14,467	2.86%	69.11%	38.9	0.008	208,411	7.25%	100.00%	39.1	0.028
5-Digit Packages In ADC Trays	0.000	23.964	38.941	0.000	62.905	4,263	0.84%	54.50%	16.9	0.017	86,157	3.00%	100.00%	18.5	0.102
3-Digit Packages In ADC Trays	0.000	29.955	0.000	14.977	44.932	14,567	2.88%	54.50%	27.1	0.026	174,265	6.06%	100.00%	32.4	0.084
ADC Packages In ADC Trays	0.000	0.000	0.000	29.955	29.955	1,638	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	14.977	23.964	38.941	0.000	77.882	16,795	3.32%	54.50%	18.6	0.076	55,888	1.94%	100.00%	27.6	0.055
3-Digit Packages In Mix ADC Trays	14.977	29.955	0.000	14.977	59.909	43,040	8.52%	54.50%	32.3	0.086	144,881	5.04%	100.00%	25.1	0.120
ADC Packages In Mix ADC Trays	29.955	0.000	0.000	29.955	59.909	33,671	6.66%	54.50%	18.7	0.116	36,528	1.27%	100.00%	19.0	0.040
Mix ADC Packages In Mix ADC Trays	0.000	0.000	0.000	29.955	29.955	14,536	2.88%	54.50%	58.8	0.008	29,253	1.02%	100.00%	51.1	0.006
						<b>505,318</b>	<b>100.00%</b>			<b>0.612</b>	<b>2,874,841</b>	<b>100.00%</b>			<b>0.908</b>
										(20)					(21)

- (1) From "WAGE" spreadsheet
- (2) From "PRODUCTIVITY" spreadsheet
- (3) From "PIGGYBACK" spreadsheet
- (4) From "WAGE" spreadsheet
- (5) [ (1) \* 100 / (2) ] \* (3) + { (4) - 1 }
- (6) Number of Operations from Docket No. MC95-1, USPS-T-10B
- (7) (6) \* (5)
- (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) for each package and container type] / [total (10)]
- (12) Docket No. MC95-1, Smith Workpaper Part VII
- (13) Docket No. R97-1, USPS LR-H-185
- (14) (9) \* (11) \* (12) / (13)
- (15) Docket No. R97-1, USPS LR-H-185
- (16) [(10) for each package and container type] / [total (10)]
- (17) Docket No. MC95-1, Smith Workpaper Part VII
- (18) Docket No. R97-1, USPS LR-H-185
- (19) (8) \* (16) \* (17) / (18)
- (20) Sum (14)
- (21) Sum (19)

Mixed ADC	0.586	
ADC	3.013	0.908
3-Digit	1.265	
5-Digit	0.793	