

MMA-LR-J-1

Derivation of Automation Letter Workshare Cost Savings Using the Commission's Docket No. R00-1 Methodology for Mail Processing Costs and Corrected Single Piece Metered Mail Delivery Costs as a Proxy for BMM Delivery Costs

RECEIVED

FEB 20 4 54 PM '02

MAIL ROOM  
GATEWAY CENTER

**FIRST-CLASS MAIL PRESORT LETTERS COST SAVINGS SUMMARY (CENTS)**

PRC VERSION

Benchmark: Bulk Metered Mail Letters	(1)	(2)	(3)	(4)	(5)	
	MAIL PROC	MAIL PROC WORK- SHARING RELATED	DELIVERY WORK- SHARING RELATED	TOTAL WORK- SHARING RELATED	WORK- SHARING RELATED	Settlement Proposed
BENCHMARK RATE CATEGORY	TOTAL UNIT COST	UNIT COST	UNIT COST	UNIT COST	SAVINGS	Discounts
BMM Letters	12.199	11.495	6.779	18.275	—	
Automation Mixed AADC Letters	5.518	5.279	4.902	10.181	8.094	6.1
Automation AADC Letters	4.585	4.346	4.796	9.142	9.133	6.9
Automation 3-Digit Presort Letters	4.259	4.019	4.770	8.789	9.485	7.8
Automation 5-Digit Presort Letters	2.856	2.617	4.233	6.850	11.425	9.2
Automation 5-Digit Presort Letters (CSBCS/Manual Sites)	4.002	3.763	6.323	10.085	—	—
Automation Carrier Route Presort Letters	2.094	1.855	6.251	8.105	1.980	0.3

- (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) MMA-LR-J-2
- (4) (2) + (3)
- (5) Benchmark (4) - Rate Category (4)

**FIRST-CLASS MAIL LETTERS MAIL PROCESSING UNIT COST SUMMARY (CENTS)  
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)	(8)
		Base Year	Base Year	Model Cost
Base Model Costs	Model Cost	Volume (000)	Volume %	Reconciled To CRA
Automation Mixed AADC	5.613	2,504,847	6.14%	3.9779
Automation AADC	4.296	2,680,656	6.57%	3.0447
Automation 3-Digit	3.835	21,832,339	53.49%	2.7182
Automation 5-Digit Other	1.856	9,212,148	22.57%	1.3154
Automation 5-Digit CSBCS/Manual	3.473	3,508,299	8.60%	2.4613
Automation Carrier Route	0.781	1,075,333	2.63%	0.5533
<b>Total Weighted Model Cost</b>	<b>3.416</b>	<b>40,813,622</b>	<b>100.00%</b>	<b>2.421</b>
<b>CRA Proportional Adjustment</b>			<b>0.709</b>	<b>(9)</b>

**ADJUSTED LETTER MAIL PROCESSING UNIT COSTS**

Rate Category	(10) Reconciled Model Unit Cost	(11) Worksharing Related Unit Cost	(12) Non Worksharing Unit Cost	(13) Total Mail Proc Unit Cost
Automation Mixed AADC	3.978	5.279	0.239	5.518
Automation AADC	3.045	4.346	0.239	4.585
Automation 3-Digit	2.718	4.019	0.239	4.259
Automation 5-Digit Other	1.315	2.617	0.239	2.856
Automation 5-Digit CSBCS/Manual	2.461	3.763	0.239	4.002
Automation Carrier Route	0.553	1.855	0.239	2.094

(1) Sum of modeled worksharing related cost pools in "CRA LETTERS" spreadsheet, p. 3

(2) Sum of other worksharing related cost pools in "CRA LETTERS" spreadsheet, p. 3

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

(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) (5) \* (9)

(9) (1) / Total (5)

(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 (CENTS)**

Source: USPS LR-J-81

PRC VERSION

Cost Pool No.	Source	Cost Pool Abbreviation	BMM LETTERS						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		
1	BMCS	NMO			X	0.000					0.000	0.000			0.000
2	BMCS	OTHR			X	0.000					0.000	0.001			0.001
3	BMCS	PLA			X	0.000					0.000	0.000			0.000
4	BMCS	PSM			X	0.000					0.000	0.000			0.000
5	BMCS	SPB			X	0.000					0.000	0.000			0.000
6	BMCS	SSM			X	0.000					0.000	0.000			0.000
7	MODS 11	BCS/	X			0.539	0.539				0.220	0.220	0.220		
8	MODS 11	BCS/DBCS	X			1.881	1.881				1.007	1.007			
9	MODS 11	OCR/	X			0.909	0.909				0.122	0.122			
10	MODS 12	FSM/			X	0.036					0.036	0.008			0.008
11	MODS 12	FSM1000			X	0.017					0.017	0.002			0.002
12	MODS 12	LSM/	X			0.002	0.002				0.000	0.000	0.000		
13	MODS 13	MECPARC			X	0.001					0.001	0.001			0.001
14	MODS 13	SPBS OTH			X	0.023					0.023	0.008			0.008
15	MODS 13	SPBSPRIO			X	0.007					0.007	0.003			0.003
16	MODS 13	1SACKS_M			X	0.033					0.033	0.014			0.014
17	MODS 14	MANF			X	0.031					0.031	0.004			0.004
18	MODS 14	MANL	X			2.028	2.028				0.315	0.315	0.315		
19	MODS 14	MANP			X	0.010					0.010	0.002			0.002
20	MODS 14	PRIORITY			X	0.011					0.011	0.003			0.003
21	MODS 15	LD15	X			0.347	0.347				0.051	0.051	0.051		
22	MODS 17	1BULK PR		X		0.004					0.004	0.007		0.007	
23	MODS 17	1CANCMPP		X		0.639					0.639	0.062		0.062	
24	MODS 17	10PBULK		X		0.139					0.139	0.050		0.050	
25	MODS 17	10PPREF		X		0.556					0.556	0.224		0.224	
26	MODS 17	1PLATFRM		X		0.960					0.960	0.309		0.309	
27	MODS 17	1POUCHNG		X		0.392					0.392	0.131		0.131	
28	MODS 17	1SACKS_H			X	0.109					0.109	0.043			0.043
29	MODS 17	1SCAN			X	0.039					0.039	0.019			0.019
30	MODS 18	BUSREPLY			X	0.008					0.008	0.001			0.001
31	MODS 18	EXPRESS			X	0.009					0.009	0.001			0.001
32	MODS 18	MAILGRAM			X	0.000					0.000	0.000			0.000
33	MODS 18	REGISTRY			X	0.015					0.015	0.001			0.001
34	MODS 18	REWRAP			X	0.015					0.015	0.002			0.002
35	MODS 18	1EEQMT			X	0.028					0.028	0.005			0.005
36	MODS 18	1MISC		X		0.084					0.084	0.026		0.026	
37	MODS 18	1SUPPORT		X		0.035					0.035	0.011		0.011	
38	MODS 19	INTL			X	0.019					0.019	0.004			0.004
39	MODS 41	LD41	X			0.073	0.073				0.036	0.036	0.036		
40	MODS 42	LD42	X			0.001	0.001				0.000	0.000	0.000		
41	MODS 43	LD43	X			0.341	0.341				0.108	0.108	0.108		
42	MODS 44	LD44	X			0.200	0.200				0.060	0.060	0.060		
43	MODS 48	LD48 EXP			X	0.000					0.000	0.000			0.000
44	MODS 48	LD48 OTH		X		0.069					0.069	0.024		0.024	
45	MODS 48	LD48_ADM		X		0.044					0.044	0.012		0.012	
46	MODS 48	LD48_SSV			X	0.030					0.030	0.011			0.011
47	MODS 49	LD49		X		0.289					0.289	0.191		0.191	
48	MODS 79	LD79		X		0.007					0.007	0.026		0.026	
49	MODS 99	1SUPP_F1			X	0.000					0.000	0.000			0.000
50	MODS 99	1SUPP_F4			X	0.000					0.000	0.000			0.000
51	NON MODS	ALLIED		X		0.533					0.533	0.228		0.228	
52	NON MODS	AUTO/MEC	X			0.323	0.323				0.203	0.203	0.203		
53	NON MODS	EXPRESS			X	0.000					0.000	0.000			0.000
54	NON MODS	MANF			X	0.009					0.009	0.002			0.002
55	NON MODS	MANL	X			1.101	1.101				0.299	0.299	0.299		
56	NON MODS	MANP			X	0.003					0.003	0.001			0.001
57	NON MODS	MISC			X	0.223					0.223	0.098			0.098
58	NON MODS	REGISTRY			X	0.028					0.028	0.007			0.007
						<b>12.199</b>	<b>7.745</b>	<b>3.750</b>	<b>0.704</b>		<b>3.962</b>	<b>2.421</b>	<b>1.301</b>	<b>0.239</b>	
							<b>63.49%</b>	<b>30.74%</b>	<b>5.77%</b>			<b>61.11%</b>	<b>32.84%</b>	<b>6.04%</b>	

# FIRST-CLASS MAIL AUTO MIXED AADC PRESORT LETTERS

## COST SHEET (CENTS)

PRC VERSION

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Pieces	Wage	Direct	Piggyback	Premium	Premium	Total	Weighted
Entry Activities	TPH	Per Hour	Rate	Cents	Factor	Pay	Pay	Cents	Cents
				Per Piece		Factor	Adjust	Per Piece	Per Piece
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	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>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	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>Incoming SCF/Primary</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>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	2,047	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, p. 16
- (3) Values From "WAGE" Spreadsheet, p. 17
- (4)  $[(3) * (100 \text{ cents/dollar})] / (2)$
- (5) Values From "PIGGYBACK" Spreadsheet, p. 18
- (6) Values From "WAGE" Spreadsheet, p. 16

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

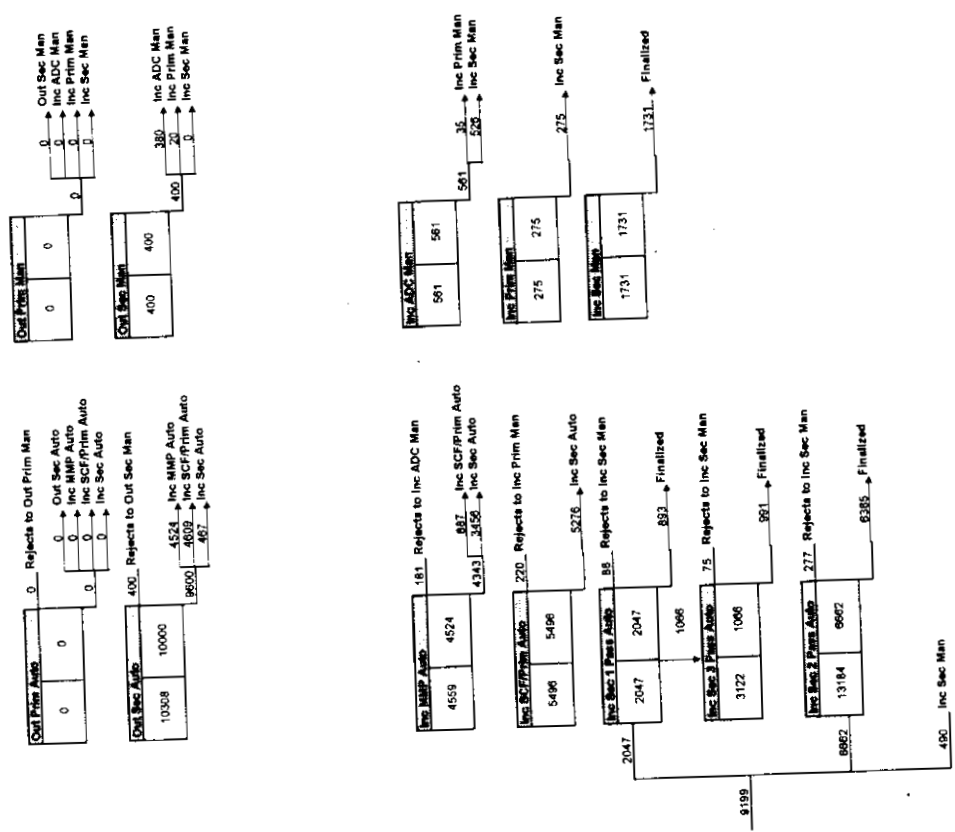
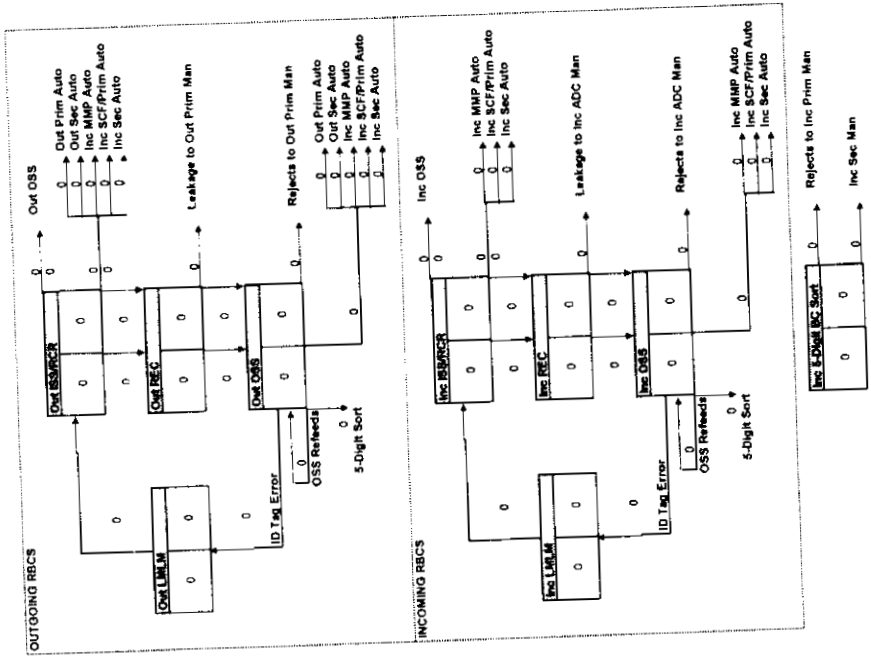
# FIRST-CLASS MAIL AUTO MIXED ADC PRESORT LETTERS MAIL FLOW MODEL

PRC VERSION

PCS IN = 10000 PCS OUT = 10000

**ENTRY POINTS:**

Out ISS/RCR	0	Inc ISS/RCR	0
Out Prim Auto	0	Inc MNP 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 (CENTS)**

PRC VERSION

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Entry Activities	TPH	Pieces Per Hour	Wage Rate	Direct Cents Per Piece	Piggyback Factor	Premium Pay Factor	Premium Adjust Pay	Total Cents Per Piece	Weighted Cents Per Piece
Package Sorting	10,000								
Outgoing RBCS	0	6,283	\$30.840	0.491	2.187	1.014	0.007	1.080	0.000
ISS/RCR	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	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
Outgoing Primary	0	5,740	\$30.840	0.537	1.960	1.014	0.007	1.061	0.000
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
Outgoing Secondary	0	8,185	\$30.840	0.377	1.951	1.014	0.005	0.740	0.000
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
Incoming RBCS	0	3,612	\$30.840	0.854	2.187	1.014	0.012	1.879	0.000
ISS	0	698	\$20.409	2.924	1.488	1.014	0.040	4.390	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
Incoming MFP	10,079	5,447	\$30.840	0.566	1.938	1.014	0.008	1.105	1.114
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
Incoming SCF/Primary	1,961	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.194
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
5-Digit Barcode Sort	0	5,977	\$30.840	0.516	1.905	1.014	0.007	0.990	0.000
Incoming Secondaries	2,119	5,016	\$30.840	0.615	1.916	1.014	0.008	1.186	0.251
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	28,256	\$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

(1) Values From "MODEL" Spreadsheet  
 (2) Values From "PRODUCTIVITY" Spreadsheet, p. 16  
 (3) Values From "WAGE" Spreadsheet, p. 17  
 (4) [(3) \* (100 cents/dollar)] / (2)  
 (5) Values From "PIGGYBACK" Spreadsheet, p. 18  
 (6) Values From "WAGE" Spreadsheet, p. 16

(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)

MODEL COST = **4.296**  
 (10)

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

**FIRST-CLASS MAIL AUTO AADC PRESORT LETTERS**

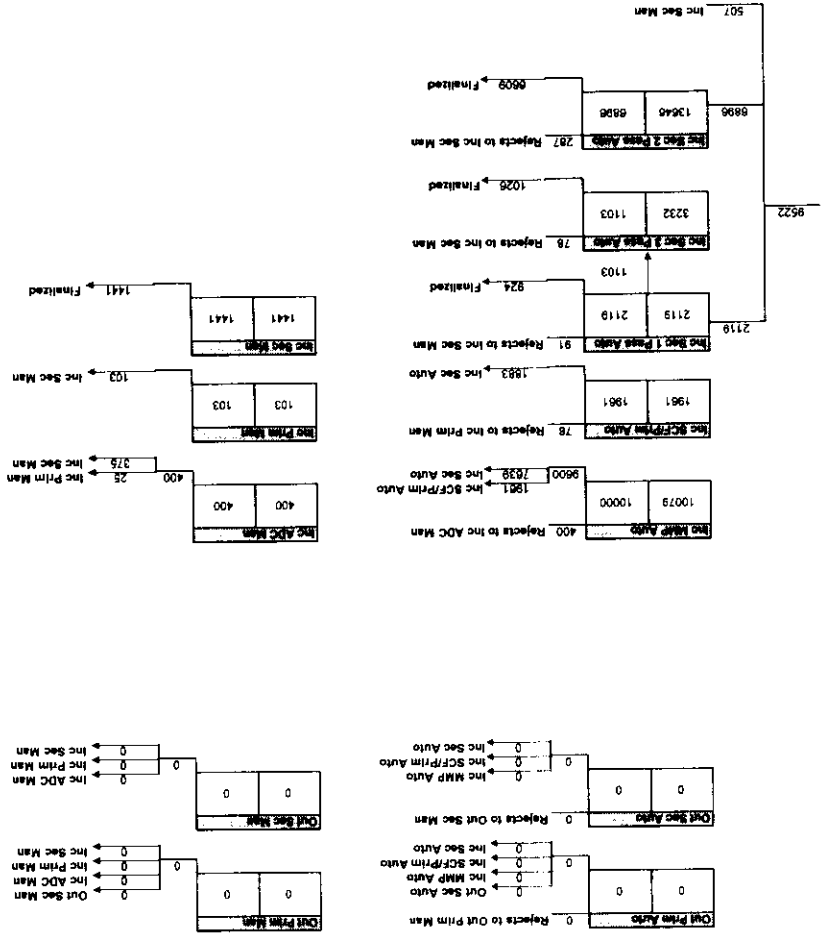
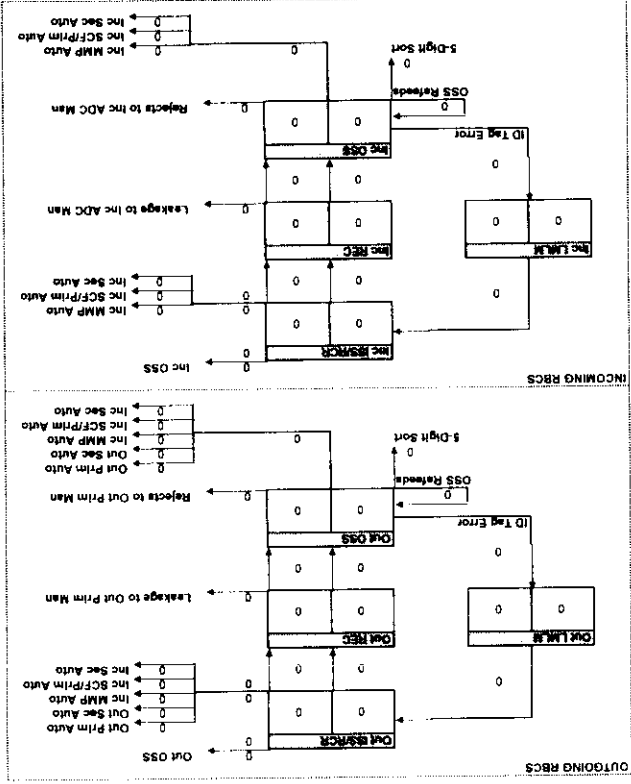
**MAIL FLOW MODEL**

PRC VERSION

PCS IN = 10000 PCS OUT = 10000

ENTRY POINTS:

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





# FIRST-CLASS MAIL AUTO 3-DIGIT PRESORT LETTERS

## COST SHEET (CENTS)

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, p. 16
- (3) Values From "WAGE" Spreadsheet, p. 17
- (4)  $[(3) * (100 \text{ cents/dollar})] / (2)$
- (5) Values From "PIGGYBACK" Spreadsheet, p. 18
- (6) Values From "WAGE" Spreadsheet, p. 16

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

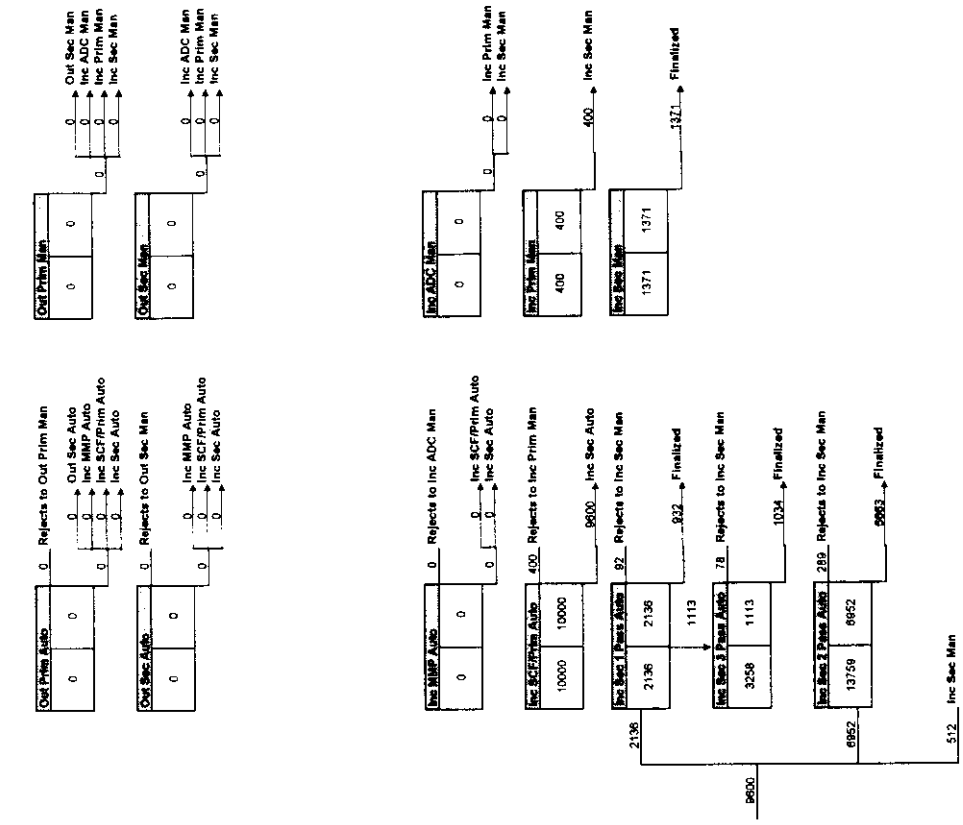
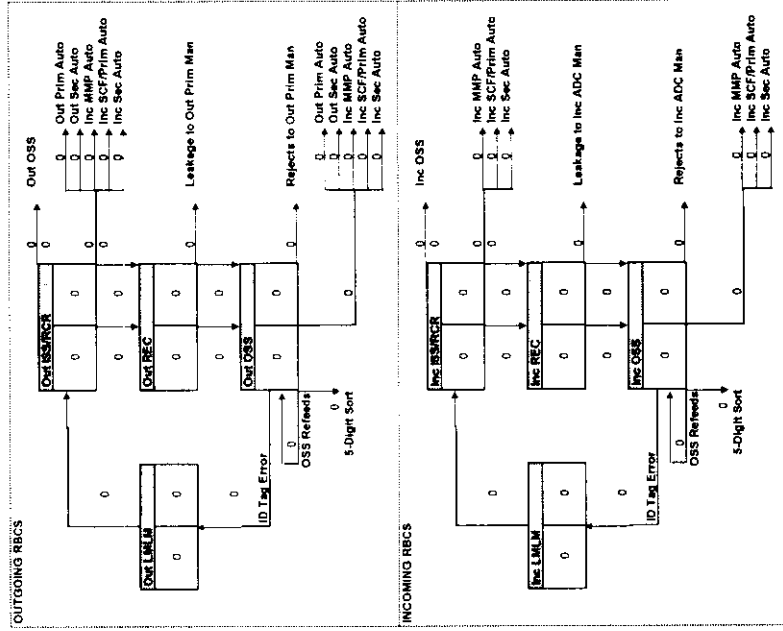
# FIRST-CLASS MAIL AUTO 3-DIGIT PRESORT LETTERS MAIL FLOW MODEL

PCS VERSION

PCS IN = 10000    PCS OUT = 10000

**ENTRY POINTS:**

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



512 Inc Sec Man

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

## COST SHEET (CENTS)

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, p. 16
- (3) Values From "WAGE" Spreadsheet, p. 17
- (4)  $[(3) * (100 \text{ cents/dollar})] / (2)$
- (5) Values From "PIGGYBACK" Spreadsheet, p. 18
- (6) Values From "WAGE" Spreadsheet, p. 16

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

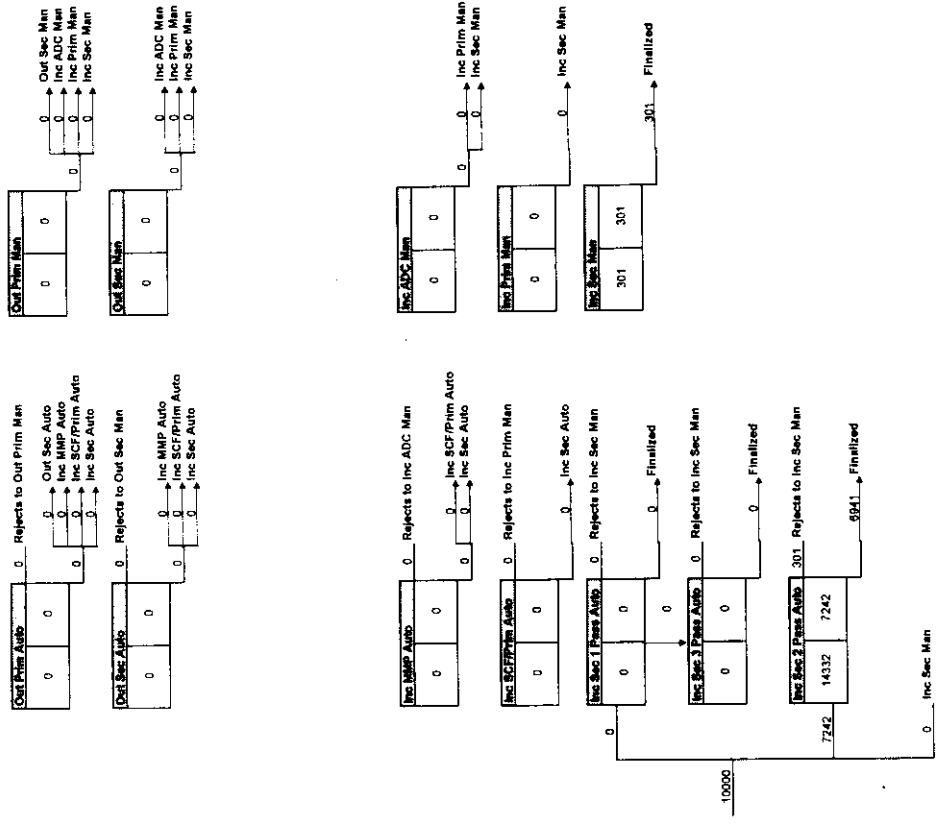
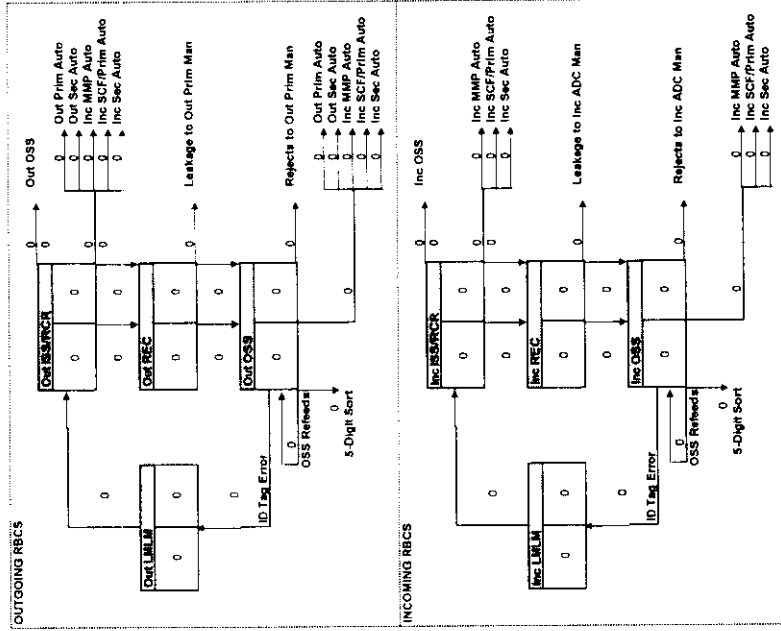
### FIRST-CLASS MAIL AUTO 5-DIGIT PRESORT LETTERS (OTHER SITES) MAIL FLOW MODEL

PCS 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



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

Out ISS/RCR	0	Inc ISS/RCR	0
Out PRIM	0	Inc MMP Auto	0
Out SEC	0	Inc SCF/Prim Auto	0
Out MAN	0	Inc Sec Auto	10000
		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 (CENTS)

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 Carrier 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, p. 16
- (3) Values From "WAGE" Spreadsheet, p. 17
- (4)  $[(3) * (100 \text{ cents/dollar})] / (2)$
- (5) Values From "PIGGYBACK" Spreadsheet, p. 18
- (6) Values From "WAGE" Spreadsheet, p. 16

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

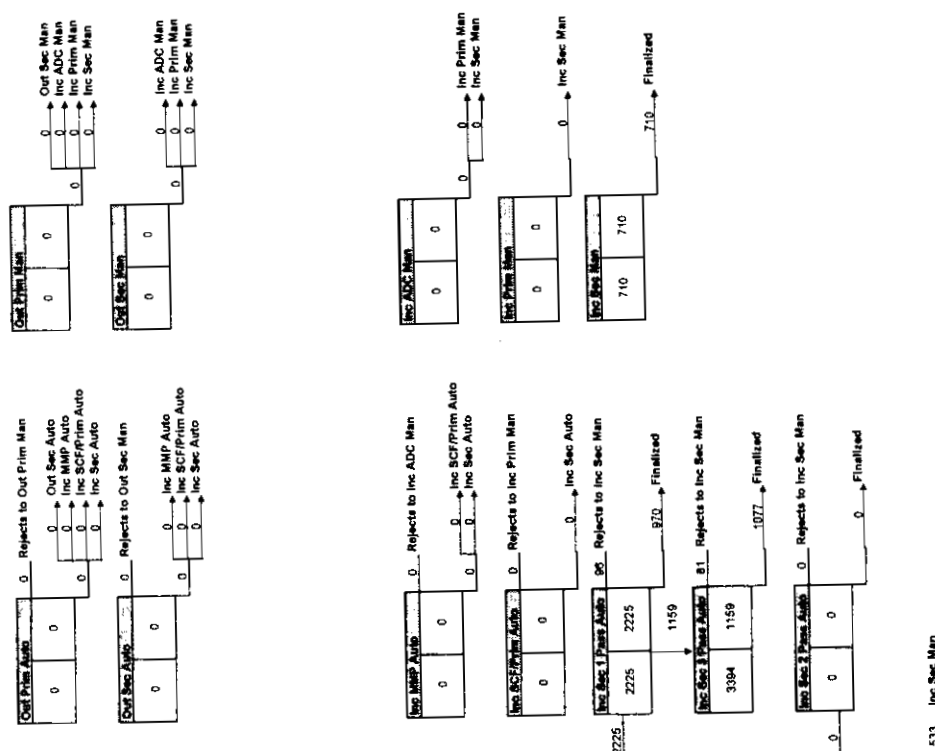
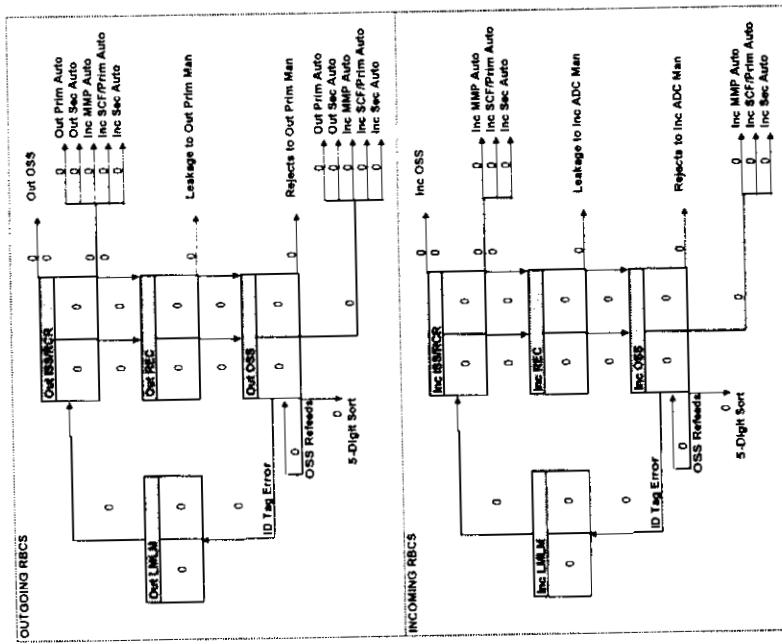
# FIRST-CLASS MAIL AUTO 5-DIGIT PRESORT LETTERS (CSBCS/MANUAL SITES) MAIL FLOW MODEL

PRC VERSION

PCS IN = 10000      PCS OUT = 2758

**ENTRY POINTS:**

Out ISS/RGR	0	Inc ISS/RGR	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



533 In Sec Man

# FIRST-CLASS MAIL AUTO CARRIER ROUTE PRESORT LETTERS

## COST SHEET (CENTS)

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	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, p. 16
- (3) Values From "WAGE" Spreadsheet, p. 17
- (4)  $[(3) * (100 \text{ cents/dollar})] / (2)$
- (5) Values From "PIGGYBACK" Spreadsheet, p. 18
- (6) Values From "WAGE" Spreadsheet, p. 16

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

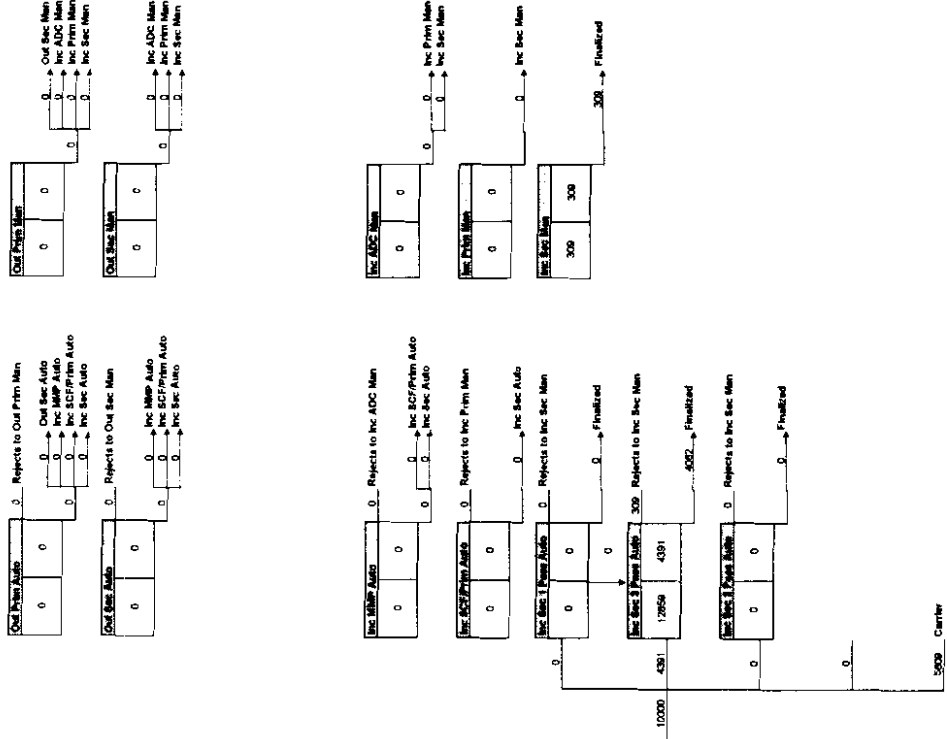
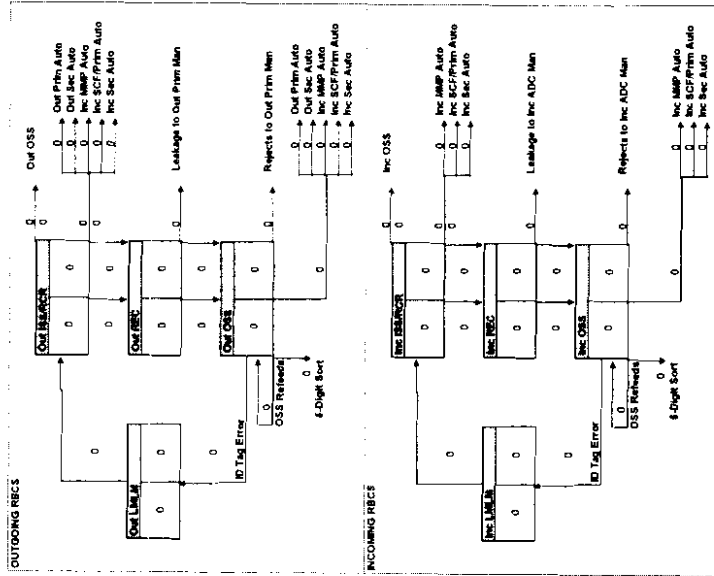
# FIRST-CLASS MAIL AUTO CARRIER ROUTE PRESORT LETTERS MAIL FLOW MODEL

PCS VERSION

PCS IN = 10000 PCS OUT = 10000

**ENTRY POINTS:**

Out ESSRRCR	0	Inc ESSRRCR	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 Prim Man	0
		Inc Sec Man	0
		Inc 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**

<b><u>EQUIPMENT</u></b> <b><u>DESCRIPTION</u></b>	<b><u>SOURCE</u></b>	<b><u>VALUE</u></b>
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><u>DESCRIPTION</u></b>		<b><u>(1)</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%	
		<u>23,726,262,900</u>	<u>100.00%</u>	
871	Outgoing Primary - MPBCS	586,752,200	3.80%	
891	Outgoing Primary - DBCS	14,868,055,800	96.20%	
		<u>15,454,808,000</u>	<u>100.00%</u>	
872	Outgoing Secondary - MPBCS	1,154,795,000	9.30%	
892	Outgoing Secondary - DBCS	11,256,612,400	90.70%	
		<u>12,411,407,400</u>	<u>100.00%</u>	
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%	
		<u>5,088,479,800</u>	<u>100.00%</u>	
873	Incoming MMP - MPBCS	4,829,566,200	16.90%	
893	Incoming MMP - DBCS	23,741,428,000	83.10%	
		<u>28,570,994,200</u>	<u>100.00%</u>	
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%	
		<u>47,649,999,500</u>	<u>100.00%</u>	
876	Incoming Secondary Carrier Route - MPBCS	7,305,982,800	29.69%	
896	Incoming Secondary Carrier Route - DBCS	17,302,665,500	70.31%	
		<u>24,608,648,300</u>	<u>100.00%</u>	

**FIRST-CLASS MAIL ENTRY PROFILE**  
PRC VERSION

Rate Category		Source	Volume	Percent
Tray Presort Level	Entry Point			
<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%



<u>Source</u>	<u>Cost Pool Abbreviation</u>	<u>Description</u>
BMCS	NMO	Processing of nonmachinable outside (NMO) parcels at BMC
BMCS	OTHR	Allied labor at BMC
BMCS	PLA	Platform operations at BMC
BMCS	PSM	Parcel Sorting Machine at BMC
BMCS	SPB	Small Parcel and Bundle Sorting (SPBS) at BMC
BMCS	SSM	Sack Sorting Machines (SSM) at BMC
MODS 11	BCS/	Barcode Sorting (BCS) operation
MODS 11	BCS/DBCS	Barcode Sorting (BCS) operation on a DBCS
MODS 11	OCR/	Optical Character Reading (OCS) operation
MODS 12	FSM/	Flat Sorting Machine (FSM) operation
MODS 12	FSM/1000	New Flat Sorting Machine (FSM/1000) operation
MODS 12	LSM/	Letter Sorting Machine (LSM) operation
MODS 13	MECPARC	fixed -- definition not available
MODS 13	SPBS OTH	fixed -- definition not available
MODS 13	SPBSPRIO	fixed -- definition not available
MODS 13	1SACKS_M	fixed -- definition not available
MODS 14	MANF	Manual flat sorting
MODS 14	MANL	Manual Letter sorting
MODS 14	MANP	Manual Parcel sorting
MODS 14	PRIORITY	Manual Priority Mail sorting
MODS 15	LD15	Costs related to REC keying and LMLM operations
MODS 17	1BULK PR	Tray sortation after mail accepted at the BMEU
MODS 17	1CANCMP	Cancellation and metered mail preparation
MODS 17	1OPBULK	Opening units and package sorting operations
MODS 17	1OPREF	Opening units and package sorting operations
MODS 17	1PLATFRM	Platform operations
MODS 17	1POUCHNG	Package Sorting
MODS 17	1SACKS_H	Sack sorting of nonletters
MODS 17	1SCAN	Air Contract Data Collection System (ACDCS) for routing First-Class air shipments
MODS 18	BUSREPLY	Postage due activities
MODS 18	EXPRESS	Express mail operations
MODS 18	MAILGRAM	Mailgram operations
MODS 18	REGISTRY	Registered mail operations
MODS 18	REWRAP	Rewrap operations
MODS 18	1EEQMT	Empty equipment operations
MODS 19	INTL	International mail sorting operations
MODS 41	LD41	Automated distribution operations at Customer Service MODS facilities
MODS 42	LD42	Mechanized distribution operations at Customer Service MODS facilities
MODS 43	LD43	Manual distribution operations at Customer Service MODS facilities
MODS 44	LD44	P.O. Box distribution operations at Customer Service MODS facilities
MODS 48	LD48 EXP	Express mail operations at Customer Service MODS facilities
MODS 48	LD48_SSV	Special Service operations at Customer Service MODS facilities
MODS 49	LD49	Computerized Forwarding System (CFS) operations
MODS 79	LD79	Bulk Mail Entry acceptance and verification operations
MODS 99	1SUPP_F1	Support operations in Function 1 (mail processing)
MODS 99	1SUPP_F4	Support operations in Function 4 (customer service)
NON MODS	ALLIED	Allied and platform operations at non MODS offices
NON MODS	AUTO/MEC	automation and mechanization operations at non MODS facilities
NON MODS	EXPRESS	Express Mail operations at non MODS facilities
NON MODS	MANF	Manual flat sorting operations at non MODS facilities
NON MODS	MANL	Manual letter sorting operations at non MODS facilities
NON MODS	MANP	Manual parcel sorting operations at non MODS facilities
NON MODS	MISC	Miscellaneous support activities at non MODS facilities
NON MODS	REGISTRY	Registered mail operations at non MODS facilities