

MMA-LR-J-2

Derivation of Delivery Costs For First-Class Letters

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POSTAL SERVICE
OFFICE OF THE ATTORNEY GENERAL

Methodology Used in MMA-LR-J-2 (Delivery Costs)

1. Derive base year delivery costs separately for First-Class single piece and presorted letters by shape and de-average single piece by indicia and presorted by automation rate categories.
 - A. Single Piece and Presorted BY Unit Cost (LETTERS BY)
 1. Segment 6.1 in-office city carrier delivery costs are provided by shape from worksheet "BY SHAPE".
 2. Segment 6.2 is distributed on the basis of segment 6.1.
 3. Segments 7.1 and 7.2 are distributed on the basis of carrier volumes.
 4. Segment 7.3 is distributed on the basis of the city carrier elemental load key shown in column w.
 5. Segment 7.4 is distributed on the basis of the sum of segments 6.1 through 7.3.
 6. Total city carrier delivery costs are piggybacked using the single piece city piggyback factor.
 7. Total rural route delivery costs are allocated to shape by the rural elemental load key shown in column x.
 8. Total rural route delivery costs are piggybacked using the single piece rural piggyback factor.
 9. City and rural delivery costs are totaled
 10. Unit delivery costs per delivered piece are derived by dividing total delivery costs by total delivered volume (city plus rural)
 - B. De-Average Single Piece BY Unit Costs (BMM BY)
 1. Segment 6.1 in-office city carrier delivery costs are provided by indicia from USPS-LR-J-191
 2. Segments 6.2 through 7.4 and Segment 10 are distributed on the same basis as all single piece costs.
 3. City Carrier volumes are broken down by indicia in two ways, since they have to be estimated.
 - a. Maximum metered mail city carrier volumes – use the same percentage of First-Class presorted letters delivered by city carriers
 - b. Minimum metered mail city carrier volumes - use the same percentage of First-Class single piece letters delivered by city carriers
 - c. Use the same percentage of First-Class single piece volumes to estimate rural route volumes
 - d. Derive the stamped volumes by computing the remaining number of pieces
 4. Total delivery costs are derived for each indicia, using the maximum and minimum city carrier volumes

5. Collection costs are estimated from USPS response to MMA/USPS-T43. To the extent BMM exists, using the single piece adjustment to remove collections costs removes too much collection costs, resulting in an understatement of BMM delivery costs.
6. Total delivery costs are computed for each indicia, excluding collection costs.
7. Unit delivery costs with maximum metered mail city carrier volume offer the lowest possible delivery cost for single piece metered letters.

C. De-Average Presorted BY Unit Costs (AUTO BY)

1. DPS %'s are obtained from USPS-LR-J-117. Note that the Auto DPS %'s are likely to be understated while the non-Auto DPS %'s are likely to be overstated.
 2. The unit cost to process non-DPSed letters is derived using FY 93 costs and volumes and updating to BY 00 (LETTERS 93)
 3. The BY unit cost to process DPSed letters is derived using the BY unit cost to process non-DPSed letters and the DPS %'s.
 4. The unit segment 6.1 costs for automation categories is derived using the DPS %'s, the BY unit cost to process DPSed letters, and the BY unit cost to process non-DPSed letters
 5. Total segment 6.1 costs are computed by multiplying the unit costs by the respective automation volumes.
 6. Segments 6.2 through 7.4 and Segment 10 are distributed on the same basis as all single piece costs.
 7. Unit delivery costs are compute for each automation rate category and for non-automation letters.
2. Derive test year delivery costs separately for First-Class single piece and presorted letters by shape and de-average single piece by indicia and presorted by automation rate categories.
- A. Single Piece and Presorted TY Unit Cost (LETTERS TY) -- Use same methodology as for base year.
 - B. De-Average Single Piece TY Unit Costs (BMM TY) -- Use same methodology as for base year.
 - C. De-Average Presorted TY Unit Costs (AUTO TY) -- Use same methodology as for base year.

Test Year Unit Delivery Costs For First-Class Letters (Excluding Collection)
(Cents)

	(1)	(2)
First-Class Letter Category	Base Year Unit Costs Per Delivered Letter, Excluding Collection	Test Year Unit Costs Per Delivered Letter, Excluding Collection
First-Class Single Piece		
Single Piece Letters Stamped	9.10	9.98
Single Piece Letters Metered	5.82	6.78
Single Piece Letters Other	7.15	8.31
Total Single Piece Letters	7.29	8.27
First-Class Workshare		
Nonautomation	5.22	6.17
Auto Mixed AADC	4.18	4.90
Auto AADC	4.09	4.80
Auto 3-Digit Letters	4.07	4.77
Auto 5-Digit Letters CSBCS/Manual	5.35	6.32
Auto 5-Digit Letters Other Sites	3.43	4.00
Total 5-Digit Letters	3.63	4.23
Auto CR Letters	5.29	6.25
Total Workshare Letters	4.18	4.91

(1) Worksheets "BMM BY" and "Auto BY"

(2) Worksheets "BMM TY" and "Auto TY"

Development of Base Year Delivery Costs
(\$000's Except for Unit Costs)

	6.1 Unit Cost	In-Office Labor Support	Route 7.1	Access 7.2	File Load 7.3	Street Support 7.4	Total City Delivery Costs With Piggyback	Rural Route 10	Total Rural Delivery Costs With Piggyback	Total Delivery Costs	City Carrier Delivered Volume	Rural Delivered Volume	RPW/Volume	P O Box Volume	City Carrier Delivery Unit Cost	Rural Carrier Delivery Unit Cost	Unit Cost Per Delivered Letter
Single Piece Letters	0.0445	946,459	6,948	87,456	181,249	214,797	2,177,230	268,211	319,149	2,496,379	21,308,674	10,384,160	47,033,105	15,505,959	0.1022	0.0307	0.0788
Single Piece Flats	0.0674	151,940	27,660	9,248	16,925	32,065	325,014	44,771	55,337	380,351	2,253,391	923,275	4,844,701	1,597,210	0.1442	0.0598	0.1197
Single Piece Parcels	0.0492	11,301	2,057	942	31,253	7,017	71,123	5,041	6,231	77,354	229,600	5,152	491,729	162,114	0.3098	1.2083	0.3285
Total First-Class Single Piece*	0.0467	1,111,700	202,377	97,647	231,427	253,878	2,573,367	308,023	380,716	2,954,084	23,791,665	11,312,587	52,369,535	17,265,283	0.1082	0.0337	0.0842
Total Presort Letters	0.0166	478,081	87,031	43,655	225,102	131,196	1,311,403	260,203	321,611	1,633,014	28,757,969	10,304,441	44,931,629	5,972,717	0.0456	0.0312	0.0418
Presort Flats	0.0572	25,250	4,598	670	4,291	5,449	54,469	3,759	4,622	59,090	441,375	83,007	733,863	97,552	0.1234	0.0557	0.1127
Total Flats and Parcels	0.0562	25,643	4,668	693	5,863	5,769	57,669	4,014	4,961	62,630	456,589	84,878	743,843	98,878	0.2103	0.1815	0.2072
Total First-Class Presort*	0.0172	503,724	91,699	44,348	230,965	136,965	1,369,072	264,217	326,572	1,695,644	29,214,558	10,389,319	45,675,472	6,071,595	0.0469	0.0314	0.0428

\$0.0350 nonDPS unit cost (FY93 LIOGATT Costs wage rate adjusted to FY00 dollars from worksheet "Letters 93")
 \$0.0101 DPS unit cost (computed by solving equation)
 76.79% Average Presort DPS Percentage
 \$0.0249 DPS savings

*BY costs from the CRA Segments and Components Report, USPS-T-11 (Witness Meehan)

- 6.1 for letters based on DPS calculations (93 vs 98)
- 6.1 for flats based on LIOGATT 98
- 6.2 distributed in proportion to 6.1
- 7.1 distributed on basis of volume
- 7.2 distributed on basis of volume
- 7.3 distributed to shape by elemental load key, then by volume within rate category

Piggybacks
 Single Piece
 Presort

city 1,351
 rural 1,236

Development of Base Year Delivery Costs for Bulk Metered Letters (Assumes No Collection Costs)
(\$000's Except for Unit Costs)

(000's) Except Unit Costs	6.1 Unit Cost		6.2 Support		7.1 Access		7.3 Ele Load		7.4 Street Support		Total City Delivery Costs With Piggyback		Total Rural Delivery Costs With Piggyback		Estimated RR Collection Costs **		Total Delivery Costs Excluding Collection		City Carrier Delivered Volume		Rural Carrier Delivered Volume		P.O. Box Volume		Unit Cost Per Letter																	
	0.0445	948,459	172,660	87,456	181,248	214,797	1,611,569	2,177,230	258,211	319,149	138,506	46,915	2,310,958	21,308,674	10,384,160	47,033,105	15,505,959	0.0957	0.0203	0.0729	0.0491	0.0445	948,459	172,660	87,456	181,248	214,797	1,611,569	2,177,230	258,211	319,149	138,506	46,915	2,310,958	21,308,674	10,384,160	47,033,105	15,505,959	0.0957	0.0203	0.0729	0.0491
Single Piece Letters	0.0445	948,459	172,660	87,456	181,248	214,797	1,611,569	2,177,230	258,211	319,149	138,506	46,915	2,310,958	21,308,674	10,384,160	47,033,105	15,505,959	0.0957	0.0203	0.0729	0.0491	0.0445	948,459	172,660	87,456	181,248	214,797	1,611,569	2,177,230	258,211	319,149	138,506	46,915	2,310,958	21,308,674	10,384,160	47,033,105	15,505,959	0.0957	0.0203	0.0729	0.0491
Maximum MM Del by Carriers	0.0677	509,870	92,809	2,457	30,923	64,087	807,758	1,091,281	140,062	173,116	48,974	16,588	1,198,835	7,534,469	5,632,687	25,512,201	12,345,045	0.1383	0.0219	0.0910	0.0470	0.0677	509,870	92,809	2,457	30,923	64,087	807,758	1,091,281	140,062	173,116	48,974	1,198,835	7,534,469	5,632,687	25,512,201	12,345,045	0.1383	0.0219	0.0910	0.0470	
Single Piece Letters Metered	0.0305	393,250	66,127	3,880	48,842	89,704	673,025	909,257	102,076	126,166	77,352	26,201	931,671	11,900,341	8,968,457	16,593,167	2,567,751	0.0699	0.0165	0.0582	0.0501	0.0305	393,250	66,127	3,880	48,842	89,704	673,025	909,257	102,076	126,166	77,352	931,671	11,900,341	8,968,457	16,593,167	2,567,751	0.0699	0.0165	0.0582	0.0501	
Single Piece Letters Other	0.0402	75,390	13,724	611	7,691	15,939	17,432	130,786	176,892	16,073	19,867	4,286	180,553	1,873,864	646,398	2,927,737	407,475	0.0878	0.0185	0.0715	0.0616	0.0402	75,390	13,724	611	7,691	15,939	17,432	130,786	176,892	16,073	19,867	180,553	1,873,864	646,398	2,927,737	407,475	0.0878	0.0185	0.0715	0.0616	
All Single Piece Letters	0.0445	948,459	172,660	87,456	181,248	214,797	1,611,569	2,177,230	258,211	319,149	138,506	46,915	2,310,958	21,308,674	10,384,160	47,033,105	15,340,271	0.0957	0.0203	0.0729	0.0491	0.0445	948,459	172,660	87,456	181,248	214,797	1,611,569	2,177,230	258,211	319,149	138,506	46,915	2,310,958	21,308,674	10,384,160	47,033,105	15,340,271	0.0957	0.0203	0.0729	0.0491
Minimum MM Del by Carriers	0.0463	508,820	92,809	3,990	45,192	114,577	859,648	1,161,384	140,062	173,116	71,572	24,243	1,238,686	11,011,047	5,632,687	25,512,201	8,968,457	0.0990	0.0206	0.0744	0.0486	0.0463	508,820	92,809	3,990	45,192	114,577	859,648	1,161,384	140,062	173,116	71,572	1,238,686	11,011,047	5,632,687	25,512,201	8,968,457	0.0990	0.0206	0.0744	0.0486	
Single Piece Letters Metered	0.0431	363,250	66,127	2,747	34,573	82,788	621,135	839,154	102,076	126,166	54,354	18,256	865,819	8,933,633	4,968,457	16,593,167	6,064,329	0.0931	0.0203	0.0712	0.0480	0.0431	363,250	66,127	2,747	34,573	82,788	621,135	839,154	102,076	126,166	54,354	865,819	8,933,633	4,968,457	16,593,167	6,064,329	0.0931	0.0203	0.0712	0.0480	
Single Piece Letters Other	0.0445	75,390	13,724	611	7,691	15,939	17,432	130,786	176,892	16,073	19,867	4,286	180,553	1,873,864	646,398	2,927,737	407,475	0.0978	0.0185	0.0715	0.0616	0.0445	75,390	13,724	611	7,691	15,939	17,432	130,786	176,892	16,073	19,867	180,553	1,873,864	646,398	2,927,737	407,475	0.0978	0.0185	0.0715	0.0616	
All Single Piece Letters	0.0445	948,459	172,660	87,456	181,248	214,797	1,611,569	2,177,230	258,211	319,149	138,506	46,915	2,310,958	21,308,674	10,384,160	47,033,105	15,340,271	0.0957	0.0203	0.0729	0.0491	0.0445	948,459	172,660	87,456	181,248	214,797	1,611,569	2,177,230	258,211	319,149	138,506	46,915	2,310,958	21,308,674	10,384,160	47,033,105	15,340,271	0.0957	0.0203	0.0729	0.0491

* Single Piece total (segment 6.1 costs broken down by indicia is provided by USPS-LR-J-191
** 1,022 * 0.957 x 21,308,674 = 138,506 (7)
*** 258,211 x 1,236 x (1 - .853) = 46,915 (8)

- (1) USPS-LR-J-191
- (2) For Metered Mail letters, total volume from (1) based on prescribed BY percentage from Worksheet "TY Volumes"
For Stamped Letters, total volume from (1) based on prescribed BY percentage from Worksheet "TY Volumes"
- (3) For Stamped Letters, compute the remaining volume
For Rural Source letters, total volume from (1) based on prescribed BY percentage from Worksheet "TY Volumes"
For Stamped Letters, compute the remaining volume
- (4) Total volume from (1) based on single piece BY percentage from Worksheet "TY Volumes"
- (5) (1) - (2) - (4)
- (6) (1) - (3) - (4)
- (7) See response to MMAA/USPS-T43-16A
- (8) See response to MMAA/USPS-T43-16B

Development of Base Year Delivery Costs for Automation Rate Categories
 (\$00's Except for Unit Costs)

	BY %DPS		6.1 Unit Cost		In-Office Labor		Support 6.2	Route 7.1	Access	Ele Load	Sheet	Support 7.4	Costs With Piggyback	Costs With Piggyback	Total City Delivery	Total Rural Delivery	Total Delivery	Total Delivery Costs	Total Delivery Piggyback	Total Delivery Costs	City Center Delivery	Volume	RPV	P.O. Box Volume	City Center Delivery Unit Cost	Rural Delivery Unit Cost	Per Unit Cost	Total Per Total Unit Cost		
Total Presort Letters	75.79%	0.0166	478.081	87.031	7.066	43.655	225.102	131.196	972.130	1.311.403	260.203	321.611	1.633.014	28.757.969	10.304.441	44.931.628	5.972.716	0.0456	0.0312	0.0418	0.0363	0.0363	Total Auto 5-Digit					0.0363		
Non Auto Letters	75.79%	0.0243	63.969	11.845	6.418	39.654	204.471	115.455	855.495	1.154.063	236.355	292.135	1.446.199	26.122.287	9.360.034	40.813.623	5.425.314	0.0442	0.0312	0.0408	0.0354	0.0354					0.0408	0.0354		
Total Automation Letters	76.79%	0.0159	414.112	75.386	6.418	39.654	204.471	115.455	855.495	1.154.063	236.355	292.135	1.446.199	26.122.287	9.360.034	40.813.623	5.425.314	0.0442	0.0312	0.0408	0.0354	0.0354					0.0408	0.0354		
Total Presort Letters	73.76%	0.0166	26.624	4.847	3.94	2.434	12.459	7.309	54.156	73.056	14.506	17.929	90.985	1.603.198	574.452	2.504.947	332.967	0.0456	0.0312	0.0418	0.0363	0.0363					0.0418	0.0363		
Auto Mixed ADDC	73.35%	0.0160	27.367	4.986	4.22	2.604	13.430	7.618	56.446	76.145	15.524	19.188	95.333	1.715.723	2.880.656	358.337	0.0444	0.0312	0.0409	0.0356	0.0356					0.0409	0.0356			
Auto 5-Digit Letters	76.98%	0.0158	220.849	40.204	3.433	21.212	109.377	61.636	456.711	616.103	126.433	156.271	772.374	13.973.536	5,006.942	21,832.339	2,902.151	0.0441	0.0312	0.0407	0.0354	0.0354					0.0407	0.0354		
Auto 5-Digit Letters CSBGS/Manual Sites	39.07%	0.0253	56.713	10.324	552	3,409	17,576	13,819	102,392	138,127	20,317	25,112	163,219	2,245,446	804,579	3,508,299	466,355	0.0615	0.0312	0.0535	0.0465	0.0465					0.0535	0.0465		
Auto CR Letters	40.82%	0.0248	17.082	3.110	1.69	1.045	5.387	4.180	30.873	41.783	6.227	7.697	49.480	688,254	246,613	1,075,333	142,943	0.0607	0.0312	0.0529	0.0460	0.0460					0.0529	0.0460		
Auto 5-Digit Letters Other Sites	95.84%	0.0111	65.457	11.916	1,449	6,950	46,152	20,894	154,817	208,849	33,348	65,939	274,787	5,096,129	2,112,877	9,212,148	1,224,562	0.0354	0.0312	0.0343	0.0298	0.0298					0.0343	0.0298		
Auto CR Letters	76.79%	0.0159	414.112	75.386	6.418	39.654	204.471	115.455	855.495	1.154.063	236.355	292.135	1.446.199	26.122.287	9.360.034	40.813.622	5.425.314	0.0442	0.0312	0.0408	0.0354	0.0354					0.0408	0.0354		
Total Automation Letters	76.79%	0.0159	414.112	75.386	6.418	39.654	204.471	115.455	855.495	1.154.063	236.355	292.135	1.446.199	26.122.287	9.360.034	40.813.623	5.425.314	0.0442	0.0312	0.0408	0.0354	0.0354					0.0408	0.0354		
Total Presort Letters	73.69%	0.0166	478.081	87.031	7.066	43.655	225.102	131.196	972.130	1.311.403	260.203	321.611	1.633.014	28.757.969	10.304.441	44.931.628	5.972.716	0.0456	0.0312	0.0418	0.0363	0.0363					0.0418	0.0363		
Non-DPS unit cost (FY93 LOCATT Costs wage rate adjusted to FY90 dollars from worksheet "Letters 93")	\$0.0350																													
DPS unit cost (computed by solving equation)	\$0.0101																													
Average Presort DPS Percentage	76.79%																													
DPS savings	\$0.0249																													

(1) USPS-LR-J-117, worksheet "summary B" (2) Volume form (1) adjusted by B" presorted percentage from Worksheet "TV Volumes" (3) Volume form (1) adjusted by B" presorted percentage from Worksheet "TV Volumes" (4) Volume form (1) adjusted by B" presorted percentage from Worksheet "TV Volumes"

DPS Percentages from USPS-LR-J-117: Note that the Nonautomation DPS %s are likely to be overstated while the Automation DPS's percentage are likely to be understated.

Development of Test Year Delivery Costs
(\$000's Except for Unit Costs)

	TY %DPS	6.1 Unit Cost	In-Office Labor 6.1	Support 6.2	Route 7.1	Access 7.2	Ele Load 7.3	Street Support 7.4	Segment 10	Total Delivery Costs With Piggyback	City Carrier Delivered Volume	Rural Delivered Volume	Adj TY Volume	City Carrier Delivery Unit Cost	Rural Carrier Delivery Cost	Unit Cost Per Delivered Letter	Unit Cost Per Total Volume
Single Piece Letters		0.0491	956,753	182,331	7,479	92,137	191,394	226,745	267,252	2,596,504	19,489,813	9,497,791	43,018,465	0.116	0.035	0.0896	0.0604
Single Piece Flats		0.0744	153,269	29,209	791	9,743	19,984	33,771	46,338	394,869	2,061,047	844,466	4,431,168	0.164	0.068	0.1359	0.0891
Single Piece Parcels		0.0543	11,399	2,172	81	993	33,003	7,555	5,217	81,913	210,002	4,713	449,756	0.359	1.381	0.3815	0.1821
Single Piece Nonletters		0.0725	164,668	31,381	871	10,736	52,987	41,326	51,556	476,781	2,271,048	849,179	4,880,924	0.182	0.076	0.1528	0.0977
First-Class Single Piece TY*		0.0515	1,121,421	213,712	8,350	102,873	244,381	268,071	318,808	3,073,285	21,760,862	10,346,970	47,899,389	0.123	0.038	0.0957	0.0642
Total Presort Letters	73.68%	0.0192	600,949	112,848	9,333	56,436	291,881	170,148	330,703	2,103,688	31,370,956	11,515,427	50,463,785	0.0539	0.036	0.0491	0.0417
Presort Flats		0.0659	31,752	5,962	152	922	5,564	7,043	4,752	75,964	481,479	92,762	824,219	0.1455	0.064	0.1323	0.0922
Presort Parcels		0.0290	482	90	2	13	2,039	417	349	4,581	16,596	2,092	11,208	0.2499	0.208	0.2452	0.4087
Presort Nonletters		0.0647	32,234	6,053	154	934	7,603	7,460	5,101	80,546	498,075	94,853	835,427	0.1490	0.067	0.1358	0.0964
First-Class Presort TY*		0.0199	633,183	118,901	9,487	57,370	299,484	177,608	335,804	2,184,233	31,869,031	11,610,280	51,299,213	0.0554	0.036	0.0502	0.0426
\$0.0411	nonDPS unit cost (FY93 LIOCATT Costs wage rate adjusted to FY03 dollars from worksheet "Letters 93")																
\$0.0113	DPS unit cost (computed by solving equation)																
\$0.7368	Average Presort DPS Percentage																
\$0.0298	DPS savings																

* TY Costs from USPS-T-12 (Witness Patalunas)

6.1 for letters based on DPS calculations (93 vs. 98)

6.1 for flats based on LIOCATT

6.1 for ECR based on LIOCATT

6.2 distributed in proportion to 6.1

7.1 distributed on basis of volume

7.2 distributed on basis of volume

7.3 distributed to shape by elemental load key, then by volume within rate category

7.4 distributed in proportion to sum of 6.1 through 7.3 costs

10 distributed to shape by rural key, then by dps% rate category

Source of test year volumes: USPS LR-J-52 (Witness Smith)

Discount TY Piggys

	city	rural
Single-Piec	1.366	1.247
Presort	1.363	1.244

Development of Test Year Delivery Costs for Bulk Metered Letters (Assumes No Collection Costs)
(\$000's Except for Unit Costs)

	0.0461	956,753	182,331	7,479	92,137	191,394	226,745	267,252	2,596,504	Total Delivery Costs Excluding Collection	City Carrier Delivered Volume	Rural Delivered Volume	Adj TY Volume	City Carrier Delivery Unit Cost	Rural Delivery Cost	Unit Cost Per Delivered Letter (No Collection)	Unit Cost Per Total Volume (With Collection)	Unit Cost Per Total Volume (No Collection)	
																			Estimated RR Collection Costs**
Single Piece Letters	0.0461	956,753	182,331	7,479	92,137	191,394	226,745	267,252	2,596,504	2,387,129	19,489,813	9,497,791	43,018,465	0.1065	0.0298	0.0827	0.0604	0.0557	
Maximum MM Deliv Carriers																			
Single Piece Letters Stamped	0.0709	514,278	98,007	2,793	34,899	71,228	114,251	144,966	1,321,159	1,238,371	7,253,244	5,151,894	23,334,537	0.1496	0.0298	0.0968	0.0566	0.0531	
Single Piece Letters Metered	0.0417	396,426	69,831	4,057	49,878	103,818	54,199	105,650	1,071,973	971,247	10,571,688	3,754,675	17,006,096	0.0913	0.0298	0.0748	0.0630	0.0571	
Single Piece Letters Other	0.0437	4,049	14,493	639	7,870	16,348	18,297	19,636	203,371	187,511	1,664,682	591,223	2,677,832	0.1021	0.0298	0.0831	0.0759	0.0700	
All Single Piece Letters	0.0461	956,753	182,331	7,479	92,137	191,394	226,745	267,252	2,596,504	2,387,129	19,489,813	9,497,791	43,018,465	0.1065	0.0298	0.0827	0.0604	0.0557	
Minimum MM Deliv Carriers																			
Single Piece Letters Stamped	0.0508	514,278	98,007	3,883	47,844	89,384	121,039	144,966	1,388,911	1,284,214	10,120,402	5,151,894	23,334,537	0.1117	0.0298	0.0841	0.0595	0.0550	
Single Piece Letters Metered	0.0476	356,426	59,831	2,956	36,424	75,662	87,410	105,650	1,004,222	925,405	7,704,729	3,754,675	17,006,096	0.1056	0.0298	0.0675	0.0544	0.0544	
Single Piece Letters Other	0.0457	76,049	14,493	639	7,870	16,348	18,297	19,636	203,371	187,511	1,664,682	591,223	2,677,832	0.1021	0.0298	0.0831	0.0759	0.0700	
All Single Piece Letters	0.0461	956,753	182,331	7,479	92,137	191,394	226,745	267,252	2,596,504	2,387,129	19,489,813	9,497,791	43,018,465	0.1065	0.0298	0.0827	0.0604	0.0557	
	(1)	(2)	(3)	(4)	(5)	(6)	(6)	(6)											
Print Volume (000)																			
Minimum MM Rural Route P.O. Box																			
Maximum MM Rural Route P.O. Box																			
City Carrier Delivered Volume	23,334,537	7,253,244	10,120,402	5,151,894	10,120,402	10,120,402	10,120,402	10,120,402	10,120,402	10,120,402	10,120,402	10,120,402	10,120,402	10,120,402	10,120,402	10,120,402	10,120,402	10,120,402	
Rural Delivered Volume	17,006,096	10,571,688	7,704,729	3,754,675	2,679,533	5,546,691	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928
Adjusted Volume	2,677,832	1,664,682	591,223	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928	421,928
All Single Piece Letters	43,018,465	19,489,813	19,489,813	9,497,791	14,030,860	14,030,860	14,030,860	14,030,860	14,030,860	14,030,860	14,030,860	14,030,860	14,030,860	14,030,860	14,030,860	14,030,860	14,030,860	14,030,860	14,030,860

*Percentage of City Carrier costs required for collection is 9.571022 or 83.64%. Assume percentage for rural carriers is similar. MMAUSPFS:143-6A

**Based on base year costs
1,022,111 X 1,308.871 =
1,337,111 X 1,239 X (1 - .855)

- (1) USFS-LR-J-191
- (2) For Metered Mail letters, total volume from (1) based on presorted TY percentage from Worksheet "TY Volumes". For Rural Route letters, total volume from (1) based on presorted TY percentage from Worksheet "TY Volumes". For Stamped Letters, compute the remaining volume.
- (3) For Metered Mail letters, total volume from (1) based on single piece TY percentage from Worksheet "TY Volumes". For Rural Route letters, total volume from (1) based on presorted TY percentage from Worksheet "TY Volumes". For Stamped Letters, compute the remaining volume.
- (4) Remaining from (1) based on single piece TY percentage from Worksheet "TY Volumes".
- (5) (1) - (2) - (4)
- (6) (1) - (3) - (4)
- (7) See response to MMAUSPFS:143-18A
- (8) See response to MMAUSPFS:143-18B

Development of Test Year Delivery Costs for Automation Rate Categories (\$000's Except for Unit Costs)

Category	6 1 Unit	In-Office	Labor 6.1	Support 6.2	Route 7.1	Access 7.2	Ele Load 7.3	Street Support	Segment	10	Piggyback	City Carrier	Rural Delivered	Adj TY Volume	City Carrier	Delivery Unit	Carrier	Per	Unit Cost
	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost	Cost
Total Presort Letters	73.68%	0.0192	600.949	112.848	9.333	56.436	291.881	170.148	330.703	2.103.688	31.370.956	11.515.427	50.463.785	0.0539	0.0357	0.0491	0.0417	0.0360	0.0423
Non Auto Letters	42.85%	0.0284	81.525	15.309	8.477	5.172	26.751	20.583	30.309	242.421	2.875.164	1.055.395	4.625.031	0.0712	0.0357	0.0491	0.0524	0.0480	0.0408
Total Automation Letters	76.79%	0.0182	519.424	97.539	8.477	51.263	265.130	149.565	300.393	1.861.266	28.495.792	10.460.032	45.838.754	0.0522	0.0357	0.0478	0.0406	0.0360	0.0423
Auto Mixed AADC	73.76%	0.0191	33.456	6.283	520	3.146	16.272	9.477	18.436	117.191	1.748.867	641.962	2.813.253	0.0539	0.0357	0.0490	0.0417	0.0408	0.0408
Auto AADC	78.35%	0.0184	34.361	6.452	557	3.367	17.414	9.870	19.730	122.708	1.871.616	687.019	3.010.709	0.0524	0.0357	0.0480	0.0408	0.0408	0.0408
Auto 3-Digit Letters	76.98%	0.0182	276.976	52.012	4.535	27.422	141.825	79.841	160.689	993.999	15.243.190	5,595.362	24,520.422	0.0521	0.0357	0.0408	0.0408	0.0408	0.0408
Auto 5-Digit Letters CSBCCS/Manual Sites	39.07%	0.0295	77.221	13.562	729	4.407	22.790	18.057	25.822	211.718	2,449.471	899.134	3,940.255	0.0733	0.0357	0.0505	0.0537	0.0505	0.0505
Auto 5-Digit Letters Other Sites	95.84%	0.0125	80.664	15.147	1.913	11.571	59.843	26.660	67.803	351.492	6,431.659	2,360.961	10,346.383	0.0415	0.0357	0.0340	0.0340	0.0340	0.0340
Auto CR Letters	40.82%	0.0280	21.744	4.063	223	1.351	6.985	5.461	7.915	64.157	750.790	275.595	1,207.732	0.0723	0.0357	0.0625	0.0531	0.0531	0.0531
Total Automation	75.79%	0.0182	519.424	97.539	8.477	51.263	265.130	149.565	300.393	1,861,266	28,495,792	10,460,032	45,838,754	0.0522	0.0357	0.0478	0.0406	0.0360	0.0423
Total Presort Letters	73.68%	0.0192	600.949	112.848	9.333	56.436	291.881	170.148	330.703	2,103,688	31,370,956	11,515,427	50,463,785	0.0539	0.0357	0.0491	0.0417	0.0360	0.0423
nonDPS unit cost (FY93 UICATT Costs wage rate adjusted to FY03 dollars from worksheet "Letters 93")	\$0.0411																		
DPS unit cost (computed by solving equation)	\$0.0113																		
Average Presort DPS Percentage	73.68%																		
DPS savings	\$0.0298																		

(1) USPS-LR-J-117, worksheet "summary TY"
 (2) Volume form (1) adjusted by presorted percentage from Worksheet "TY Volumes"
 (3) Volume form (1) adjusted by presorted percentage from Worksheet "TY Volumes"
 (4) Volume form (1) adjusted by presorted percentage from Worksheet "TY Volumes"
 Note that the Nonautomation DPS %s are likely to be overstated while the Automation DPS %s are likely to be understated

Derivation of Test Year Volumes

(000's)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	BY CC Volume	BY Rural Volume	BY Total Volume	BY P.O. Box Volume	TY Total Volume	TY CC Volume	TY Rural Volume	TY P.O. Box Volume
Single-Piece Letters	21,308,674	10,384,160	47,033,105	15,505,959	43,018,465	19,489,813	9,497,791	14,030,860
Single-Piece Flats	2,253,391	923,275	4,844,701	1,597,210	4,431,168.20	2,061,047	844,466	1,525,655
Single-Piece Parcels	229,600	5,152	491,729	162,114	449,756.12	210,002	4,713	235,042
Total Single Piece	23,791,665	11,312,587	52,369,535	17,265,283 [9]	47,899,389	21,760,862	10,346,970	15,791,557
Presort Letters	28,757,969	10,304,441	44,931,629	5,972,716	50,463,785	31,370,956	11,515,427	7,577,403
Presort Flats	441,375	83,007	733,863	97,552	824,219	481,479	92,762	249,978
Presort Parcels	15,214	1,872	9,980	1,327	11,208	16,596	2,092	(7,479)
Total Presort	29,214,558	10,389,319	45,675,472	6,071,595 [10]	51,299,213	31,869,031	11,610,280	7,819,901
Total S.P. and Presort	53,006,223	21,701,906	98,045,007	23,336,877 [11]	99,198,602	53,629,893	21,957,251	23,611,458

(1) Worksheet "Delivery Volumes"

(2) Worksheet "Delivery Volumes"

(3) Worksheet "Delivery Volumes"

(4) Totals = (3) - (2) - (1); Totals by shape based on col (3)

(5) Totals from worksheet "summary TY"; Totals by shape based on col (3)

(6) Totals based on col (3); Totals by shape based on col (1)

(7) Totals based on col (3); Totals by shape based on col (2)

BY 2000 First-Class Letter Volumes By Delivery Mode
(000's)

Volume Crosswalk	Crosswalked Rural Volumes			CS7 Distribution Key Inputs*				RPW Permit System**			Implicit PO Box Volume			Total PO Box		
	Letters	Flats	Parcels	Total Rural	CCS Letters	CCS Flats	CCS Parcels	Total CCS	Letters	Flats	Parcels	Total RPW	Letters		Flats	Parcels
First-Class																
Single-Piece	10,384,160	923,275	5,152	11,312,587	21,308,874	2,253,391	229,600	23,791,665	47,033,105	4,844,701	491,729	52,369,535	15,505,959	1,597,210	162,114	17,265,283
Presort	10,304,441	83,007	1,872	10,389,319	28,757,969	441,375	15,214	29,214,558	44,931,629	733,863	9,980	45,675,472	5,972,717	97,552	1,327	6,071,595
Total	20,688,601	1,006,282	7,024	21,701,906	50,066,843	2,694,766	244,814	53,006,223	91,964,734	5,578,564	501,709	98,045,007	21,478,675	1,694,761	163,441	23,336,878

First-Class	RPW-Rural-PO Box	21,142,986	2,324,216	324,462	45%
Single-Piece					
Presort		28,654,472	553,304	6,782	64%
					54%

First-Class	Rural Carrier Cost System				RPW Permit System				Implicit PO Box Volume				Total PO Box			
	Letters	Flats	Parcels	Total Rural	CCS Letters	CCS Flats	CCS Parcels	Total CCS	Letters	Flats	Parcels	Total RPW		Letters	Flats	Parcels
Single-Piece	92%	8%	0%	22%	89%	10%	1%	45%	90%	9%	1%		90%	9%	1%	33%
Presort	99%	1%	0%	23%	98%	2%	0%	64%	98%	2%	0%		98%	2%	0%	13%

sp includes collected volumes

	33%	33%	33%	33%
	13%	13%	13%	13%

*Source City Delivery Carrier workpapers (USPS LR-J-57, CS06&7.xls, worksheet 'Input DK', columns (3) thru (12)) of witness Meehan (USPS-T-11)

**Source USPS LR-J-112 Tables 11, 12, 17, and 20

Presort Volumes by Rate Category	BY Controlled		
	Billing Dets	To RPW	TY
Nonautomation -- Nonmach Mixed ADC	180,456	168,013	188,700
Nonautomation -- Nonmach ADC	178,237	165,947	186,379
Nonautomation -- Mach Mixed AADC	616,125	573,642	644,270
Nonautomation -- Mach AADC	355,131	330,644	371,354
Nonautomation -- Nonmach 3-Digit	888,248	827,002	928,825
Nonautomation -- Nonmach 5-Digit	699,341	651,120	731,288
Nonautomation -- Mach 3-Digit	1,190,950	1,108,831	1,245,355
Nonautomation -- Mach 5-Digit	314,492	292,807	328,858
Total Nonautomation	4,422,981	4,118,006	4,625,031
Automation Mixed AADC		2,504,847	2,813,253
Automation AADC		2,680,656	3,010,709
Auto 3-Digit Letters		21,832,339	24,520,422
Auto 5-Digit Letters CSBCS/Manual Sites		3,508,299	3,940,255
Auto 5-Digit Letters Other Sites		9,212,148	10,346,383
Auto 5-Digit Letters		12,720,447	14,286,638
Auto CR Letters		1,075,333	1,207,732
Flats		733,863	824,219
Parcels		9,980	11,208
Total		45,675,470	51,299,213

FY 1993 NonDPS City Carrier Delivery Costs

Report LIOCATT System Summary Schedule K&L - City Carrier Cost

Activity Code	[1] routes 87-98	[2] routes 71-99	[3] Total Cost	[4] FY93 volumes LR MCR-10 or Billing Det. (000)	[5] FY 93 CC Delivered Volumes (000)	[6] Unit Cost Delivered Volumes \$FY93	[7] ratioed unit cost \$FY00	[8] ratioed unit cost \$FY03
1060 1C Single-Piece Letters	3,863,090	1,001,775,439	\$ 1,005,638,529					
1061 1C Combined w/ or w/o ZIP+4 Letters	-	2,938,878	\$ 2,938,878					
1092 1C ZIP+4 Letters	638,147	67,370,164	\$ 68,008,311					
	<u>4,501,237</u>	<u>1,072,084,481</u>	<u>\$ 1,076,585,718</u>	50,443,703	23,815,756	\$ 0.0452	\$ 0.0541	\$ 0.0636
1091 1C ZIP+4 Presort Letters	119,526	48,363,206	\$ 48,482,732	22,853,869				
1093 Barcoded Letters	559,388	136,354,960	\$ 136,914,348					
1081 1C Combined Presort Letters	-	1,130,040	\$ 1,130,040					
1080 1C Presorted Letters	845,532	416,720,730	\$ 417,566,262					
1085 1C CR Letters	70,045	48,811,245	\$ 48,881,290					
	<u>1,524,446</u>	<u>602,568,936</u>	<u>\$ 652,974,672</u>	29,486,424	22,324,833	\$ 0.0292	\$ 0.0350	\$ 0.0411
All First-Class			\$ 1,729,560,390	79,930,127	46,140,589	\$ 0.0375	\$ 0.0449	\$ 0.0527

[1] ALA860P14 Docket No. R94-1 USPS-T-4 WP.C.4 page 120-123

[2] ALA860P14 Docket No. R94-1 USPS-T-4 WP.C.3 page 208-211

[3] [1] + [2]

[4] FY93 volumes LR MCR-10 or Billing Det.

[5] Worksheet "FY93 Volumes"

[6] [3] / [5]

[7] [6] * [10] / [9]

[8] [6] * [11] / [9]

[9] FY93 wage rate \$ 23.19 National Payroll Summary report

[10] FY00 wage rate \$ 27.75 R2000-1 USPS-LR-I-11 ("Roll Forward Expense Factors") [Chapter 8-E]

[11] FY03 wage rate \$ 32.62 USPS-T-12

Summary of FY 93 Letter Volumes
(000's)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
First-Class Category	Rural Letters (Estimated)	City Car Letters	Total Letters	Implicit P.O. Boxes	Implicit P.O. Percentage	Rural Letters Percentage	City Letters Percentage	BY 00 City Percentage	TY 03 City Percentage
Single-Piece	3,204,542	23,815,756	50,443,703	23,423,405	46%	6%	47%	45%	45%
Presort	3,113,859	22,324,833	29,486,424	4,047,732	14%	11%	76%	64%	62%
Total	6,318,401	46,140,589	79,930,127	27,471,137	34%	8%	58%	54%	54%

(1) Response to MMA/USPS-3

(2) Response to MMA/USPS-3

(3) Response to MMA/USPS-3

(4) (3) - (2) - (1)

(5) (4) / (3)

(6) (1) / (3)

(7) (2) / (3)

(8) Worksheet "TY Volumes" (1) / (3)

(9) Worksheet "TY Volumes" (6) / (5)

BY 2000 City Delivery In-Office Costs By Shape

Source: CC Costs by Route BY00.xls, worksheet 'Summary'

Report	LIOCATT System Summary Schedule K&L - City Carrier Cost	USPS-T-2 WP.A-1	USPS-T-2 WP.A-2	
ALA860P13		p.104-106 *	p.185-187 *	
Activity Code		routes 87-98	routes 71-99	TOTAL
1060 1C Single-Piece Letters		5,992,849	942,466,228	948,459,077
2060 1C Single-Piece Flats		813,671	151,126,801	151,940,472
3060 1C Single-Piece IPPs < 8 oz.		79,887	8,457,550	8,537,436
4060 1C Single-Piece IPPs < 12 oz.		84,039	2,679,075	2,763,113
		163,926	11,136,624	11,300,550
1C Single-Piece Total		6,970,446	1,104,729,653	1,111,700,099
1080 1C Non-Auto Presort Letters		894,632	150,525,351	151,419,983
1086 1C Auto Presort Letters		1,554,316	316,987,486	318,541,802
1081 1C Combined Letters		-	-	-
1085 1C Auto CR Letters		-	8,119,062	8,119,062
		2,448,948	475,631,899	478,080,847
2080 1C Non-Auto Presort Flats		76,479	7,011,802	7,088,280
2086 1C Auto Presort Flats		245,458	17,926,082	18,171,540
2081 1C Combined Flats		-	-	-
2085 1C Auto CR Flats		-	-	-
		321,936	24,937,884	25,259,820
3080 1C Non-Auto Presort IPPs < 8 oz.		-	383,321	383,321
4080 1C Non-Auto Presort IPPs < 12 oz.		-	-	-
		-	383,321	383,321
1C Presort Total		2,770,884	500,953,104	503,723,988

Development of BY 2000 Elemental Load Key

WS 7.0.6.5	Letter Routes - Single Delivery Residential Stops			
	(1)	(2)	(3)	
<u>First-Class Mail</u>	<u>Letters</u>	<u>Flats</u>	<u>Parcels</u>	<u>Total</u>
Single Piece	\$ 57,376	\$ 9,922	\$ 13,601	\$ 80,898
Presort	\$ 99,814	\$ 2,599	\$ 815	\$ 103,228

WS 7.0.6.6	Letter Routes - Multiple Delivery Residential Stops			
	(4)	(5)	(6)	
<u>First-Class Mail</u>	<u>Letters</u>	<u>Flats</u>	<u>Parcels</u>	<u>Total</u>
Single Piece	\$ 59,352	\$ 2,687	\$ 5,468	\$ 67,508
Presort	\$ 115,791	\$ 686	\$ 686	\$ 117,163

WS 7.0.6.7	Letter Routes - Business /Mixed Stops			
	(7)	(8)	(9)	
<u>First-Class Mail</u>	<u>Letters</u>	<u>Flats</u>	<u>Parcels</u>	<u>Total</u>
Single Piece	\$ 18,548	\$ 957	\$ 3,473	\$ 22,978
Presort	\$ 10,247	\$ 127	\$ 136	\$ 10,510

	Total Costs			
<u>First-Class Mail</u>	<u>Letters</u>	<u>Flats</u>	<u>Parcels</u>	<u>Total</u>
Single Piece	\$ 135,276	\$ 13,565	\$ 22,542	\$ 171,384
Presort	\$ 225,852	\$ 3,411	\$ 1,638	\$ 230,901

	Total Unit Cost with CCS Volumes			
<u>First-Class Mail</u>	<u>Letters</u>	<u>Flats</u>	<u>Parcels</u>	<u>Total</u>
Single Piece	0.0063	0.0060	0.0982	0.0072
Presort	0.0079	0.0077	0.1077	0.0079

	Total Unit Costs with DMM Volumes			
<u>First-Class Mail</u>				
Single Piece	\$ 134,224	\$ 14,015	\$ 23,145	\$ 171,384
Presort	\$ 225,040	\$ 4,290	\$ 1,572	\$ 230,901

	DMM-Definition Based Distribution Key			
<u>First-Class Mail</u>	<u>Letters</u>	<u>Flats</u>	<u>Parcels</u>	<u>Total</u>
Single Piece	78.32%	8.18%	13.50%	100.00%
Presort	97.461%	1.858%	0.681%	100.00%

Source: City Delivery Carrier workpapers (USPS LR-J-57, CS06&7.xls) of witness Meehan (USPS-T-11)

- (1) Column (1) from worksheet '7.0.6.5'
- (2) Column (2) from worksheet '7.0.6.5'
- (3) Column (3) from worksheet '7.0.6.5'
- (4) Column (1) from worksheet '7.0.6.6'
- (5) Column (2) from worksheet '7.0.6.6'
- (6) Column (3) from worksheet '7.0.6.6'
- (7) Column (1) from worksheet '7.0.6.7'
- (8) Column (2) from worksheet '7.0.6.7'
- (9) Column (3) from worksheet '7.0.6.7'

WS 10.1.2	Evaluated Routes		(\$000)							Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
<u>First-Class</u>	<u>Letters</u>	<u>Flats</u>	<u>Parcels</u>	<u>Boxholder</u>	<u>DPS/Sec Seg</u>	<u>Postage Due</u>	<u>Ltr/Flt Collected</u>	<u>Parcels Accepted</u>		
Single-Piece	\$ 87,001	\$ 81,839	\$ 18,226	\$ 511	\$ 44,478	\$ 340	\$ 43,928	\$ 5,292	\$ 281,614	
Presort	\$ 105,693	\$ 63,019	\$ 666	\$ 104	\$ 71,955	\$ 50	\$ -	\$ -	\$ 241,486	

WS 10.2.2	Other Routes		(\$000)							Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
<u>First-Class</u>	<u>Letters</u>	<u>Flats</u>	<u>Parcels</u>	<u>Boxholder</u>	<u>DPS/Sec Seg</u>	<u>Postage Due</u>	<u>Ltr/Flt Collected</u>	<u>Parcels Accepted</u>		
Single-Piece	\$ 8,604	\$ 7,200	\$ 1,706	\$ 44	\$ 4,375	\$ 33	\$ 3,910	\$ 537	\$ 26,409	
Presort	\$ 10,452	\$ 5,544	\$ 62	\$ 9	\$ 6,658	\$ 5	\$ -	\$ -	\$ 22,731	

Combined	(\$000)							Total	
	<u>Letters</u>	<u>Flats</u>	<u>Parcels</u>	<u>Boxholder</u>	<u>DPS/Sec Seg</u>	<u>Postage Due</u>	<u>Ltr/Flt Collected</u>		<u>Parcels Accepted</u>
Single-Piece	\$ 95,605	\$ 89,039	\$ 19,932	\$ 555	\$ 48,853	\$ 374	\$ 47,838	\$ 5,829	\$ 308,023
	\$ 0.034	\$ 0.058	\$ 0.198	\$ 0.034	\$ 0.014	\$ 0.044	\$ 0.014	\$ 1.166	
Presort	\$ 116,145	\$ 68,563	\$ 728	\$ 113	\$ 78,613	\$ 55	\$ -	\$ -	\$ 264,217
	\$ 0.034	\$ 0.058	\$ 0.198	\$ 0.034	\$ 0.014	\$ 0.044			

DPS/Sector Segment costs assigned to letters.
 First-Class Single piece Ltr/Flt Collected costs allocated using letter/flat volume split.
 Boxholder and Postage Due allocated to shape using nonletter volume splits*.
 * For Regular and Nonprofit because no parcel volume was reported.

Source: Rural Carrier workpapers (WP.B - USPS LR-J-57, CS10.xls, worksheets '10.1.2' & '10.2.2') of witness Meehan (USPS-T-11)
 (1) Column (1) from CS10.xls, worksheet 10.1.2 or 10.2.2
 (2) Column (2) from CS10.xls, worksheet 10.1.2 or 10.2.2
 (3) Column (3) from CS10.xls, worksheet 10.1.2 or 10.2.2
 (4) Column (4) from CS10.xls, worksheet 10.1.2 or 10.2.2
 (5) Column (6) + Column (7) from CS10.xls, worksheet 10.1.2 or 10.2.2
 (6) Column (8) from CS10.xls, worksheet 10.1.2 or 10.2.2
 (7) Column (9) from CS10.xls, worksheet 10.1.2 or 10.2.2
 (8) Column (10) from CS10.xls, worksheet 10.1.2 or 10.2.2

Rural Crosswalk

WS 10.0.3 P2 Mail Shape Adjustment, Part 2 Rural Defined Pieces (000)
WS 10.0.4 Distribution Keys

3515083
5776293

	(1) Adjusted Letters	(2) DPS/ Sec Seg	(3) Adjusted Flats	(4) Parcels	(6) Subtotal(1)	(5) Boxholder	(7) Postage Due	(8) Ltr/Fit Collected	(9) Parcels Accepted	Total
First-Class										
Single-Piece	2,810,274	3,515,083	1,546,332	100,669	7,972,358	16,445	8,417	3,310,370	4,998	11,312,587
Presort	3,414,040	5,776,293	1,190,732	3,677	10,384,742	3,335	1,242	-	-	10,389,319

DMM Defined Pieces (000)

	dLet/rLet	dLet/rFlat	dLet/rDPS	dLet/rBox	dFlat/rFlat	dFlat/rPar	dFlat/rBox	dPar/rPar	dPar/rFlat	dPar/rBox	dLet/rPoDu	dFlat/rPoDu	dLet/rCol	dFlat/rCol	dpar/Rcol	total
First-Class																
Single-Piece	6,475,292	504,420	341,878	14,769	576,994	73,774	1,521	-	-	154	7,729	687	3,040,072	270,298	4,998	11,312,587
Presort	9,330,802	451,511	517,616	3,281	81,072	1,871	54	1,871	-	1	1,232	10	-	-	-	10,389,319

DMM Defined Costs (\$000)

	dLet/rLet	dLet/rFlat	dLet/rDPS	dLet/rBox	dFlat/rFlat	dFlat/rPar	dFlat/rBox	dPar/rPar	dPar/rFlat	dPar/rBox	dLet/rPoDu	dFlat/rPoDu	dLet/rCol	dFlat/rCol	dpar/Rcol	total
First-Class	\$ 0.0340	\$ 0.0576	\$ 0.0139	\$ 0.0337	\$ 0.0576	\$ 0.1980	\$ 0.0337	\$ 0.1980	\$ 0.0576	\$ 0.0337	\$ 0.0444	\$ 0.0444	\$ 0.0145	\$ 0.0145	\$ 1.1663	
Single-Piece	\$ 220,288	\$ 29,045	\$ 4,751	\$ 498	\$ 33,224	\$ 14,607	\$ 51	\$ -	\$ -	\$ 5	\$ 343	\$ 31	\$ 43,932	\$ 3,906	\$ 5,829	356,510
Presort	\$ 317,432	\$ 25,998	\$ 7,194	\$ 111	\$ 4,668	\$ 370	\$ 2	\$ 370	\$ -	\$ 0	\$ 55	\$ 0	\$ -	\$ -	\$ -	356,201

Cost Distribution Key

	Letters	Flats	Parcels	Total
First-Class				
Single-Piece	83.8%	14.5%	1.6%	100.0%
Presort	98.5%	1.4%	0.1%	100.0%

DMM Postage Due volume allocated using RPW Shape split.

First-Class DMM Boxholder volume allocated using RPW Shape split.

First-Class Single Piece DMM Ltr/Fit Collected volume allocated using DMM letter/flat volume split.

Std. A Nonletter Boxholder volume allocated using RPW shape split.

Volume Crosswalk

	Letters	Flats	Parcels	total
First-Class				
Single-Piece	10,384,160	923,275	5,152	11,312,587
Presort	10,304,441	83,007	1,872	10,389,319

Source of columns (1) through (9): Rural Carrier workpapers (WP B - USPS LR-J-57, CS10.xls, worksheets '10.0.3 P2' and '10.0.4') of witness Meehan (USPS-T-11)

(1) Column (6) from CS10.xls, worksheet 10.0.3 P2

(2) Column (2) + Column (4) from CS10.xls, worksheet 10.0.3 P2

(3) Column (9) from CS10.xls, worksheet 10.0.3 P2

(4) Column (4) from CS10.xls, worksheet 10.0.4

(5) Column (5) from CS10.xls, worksheet 10.0.4

(6) Sum of Columns (1) through (4) for First-Class, sum of Columns (1) through (5) for Standard (A)

(7) Column (7) from CS10.xls, worksheet 10.0.4

(8) Column (8) from CS10.xls, worksheet 10.0.4

(9) Column (9) from CS10.xls, worksheet 10.0.4

RCCS New Methodology Evaluation Results by Shape and Subclass (Docket No. R2000-1 USPS-LR-I-173/Table 2)

	dLet&rLet Letters <5"	5"<Pieces<6 1/8"		Flats >6 1/8"		Boxholder			Parcels		
		dLet&rFlat Raw Mail	dLet&rDPS DPS & SS	dFlat&rFlat < 3/4" thick	dPar&rFlat <1 9/16" thick	dLet&rBox Letters <5"	dFlat&rBox 5"<Pieces <6 1/8"	dFlat&rBox Flats >6 1/8"	dPar&rPar Parcels (other)	dFlat&rParN on- Caseable Flats	
First-Class Single Piece	10,796 81%	841 6%	570 4%	962 7%	- 0%					123 1%	13,292 100%
First-Class Presort Nonauto	1,213	252	40	54					3		
First-Class Presort Auto	13,396	397	740	76						3	
First-Class Auto CR	353	75	50								
subtotal	14,962 90%	724 4%	830 5%	130 1%	-				3 0%	3 0%	16,652 100%
Regular Nonauto	786	603	50	1,413	68	113		758	192	138	
Regular Auto	4,352	1,710	1,720	4,678	(1)				(5)	31	
subtotal	5,138 31%	2,313 14%	1,770 11%	6,091 37%	67 0%	113 1%		758 5%	187 1%	169 1%	16,606 100%
ECR Auto Letters	1,175 57%	721 35%	180 9%	- 0%	0%	0%		0%	0%	0%	2,076 10%
ECR LOT	1,618 15%	2,102 19%	290 3%	6,800 62%	0%	0%		0%	0%	1%	10,888 53%
ECR WSH/WSS	70 1%	0%	0%	65 1%	0%	2,423 33%		4,890 66%	0%	0%	7,448 36%
subtotal	2,863 14%	2,823 14%	470 2%	6,865 34%	- 0%	2,423 12%	-	4,890 24%	- 0%	78 0%	20,412 100%
NP Nonauto	996	433	30	298					11	23	
NP Auto	1,616	319	180	518						7	
subtotal	2,612 59%	752 17%	210 5%	816 18%	- 0%	0%		0%	11 0%	30 1%	4,431 100%
NP ECR Auto Letters	310 82%	59 16%	10 3%	0%	0%	0%		0%	0%	0%	379 24%
NP ECR LOT	58 11%	61 11%	130 24%	294 54%	0%	0%		0%	0%	0%	543 35%
NP ECR WSH/WSS	0%	0%	0%	0%	0%	628 100%		0%	0%	0%	628 41%
subtotal	368 24%	120 8%	140 9%	294 19%	- 0%	- 0%	628 41%	- 0%	- 0%	- 0%	1,550 100%