

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

NOTICE OF UNITED STATES POSTAL SERVICE OF FILING
REVISIONS TO LIBRARY REFERENCE USPS-LR-L-9 [ERRATA]

The United States Postal Service hereby gives notice of the filing of revisions to library reference USPS-LR-L-9, a category 1 library reference entitled "In-Office Cost System (IOCS) Statistical and Computer Documentation (Source Code and Data on CD-ROM)." These revisions conform the library reference to witness Czigler's responses to interrogatories NNA/USPS-T1-15, 25 and 26. There are revisions to the workbook "hand2005.xls", in Appendix H, and to page D-3 in Appendix D. Portions of this documentation were originally based on preliminary, rather than final, data. There are no changes to any cost estimates or CVs as a result of these revisions.

The worksheets in "hand2005.xls" that have been modified are "Final Counts" and "Further Checks". The revisions to Appendix D, page D-3, are the following.

- 1) Replace "7,671 Periodicals tallies" with "7,681 Periodicals tallies".
- 2) Replace:

First, if the office of original entry county and the destination county of the tally piece are the same, the tally is assumed to be Within-County Periodicals. Otherwise, it assumed to be an Outside County Periodicals tally.

with:

First, if the office of original entry county and the destination county of the tally piece are different, the tally is assumed to be Outside-County Periodicals. Otherwise, the tally requires additional checks.

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID B. POPKIN

A replacement CD-ROM is also being filed; it contains revised files "hand2005.xls" and "IOCSLR9.pdf" along with the other documents. A hard copy of replacement page D-3 of IOCSLR9.pdf is also attached.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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New activity codes are assigned using the FORTRAN program **summary1.f** once all tally checks, including manual, are made.

The **dblechk.f** program performs further analysis on tallies originally assigned a Within-County Periodicals activity code that were taken at an office in the tally publication's county of original entry, but which have no Within-County Periodicals *PostalOne* volumes for the tally office and publication. The program checks other offices that are in the *PostalOne* system and are located within the publication's county of original entry. If one of these alternative entry offices reports Within-County Periodicals volumes for the publication, the tally retains its Within-County Periodicals activity code. If other offices do not report Within-County Periodicals *PostalOne* volumes for that title, but report Outside County Periodicals volume, the tally activity code is edited to an Outside County Periodicals activity code. If there are no Periodicals *PostalOne* volumes recorded at any sites within the tally publication's county of original entry, the tally must be checked manually. Before this is done, these tallies are processed using the program **checkcpp.f**, which determines whether or not the publication is a Centralized Postage Payment (CPP) publication. CPP publications generally have a circulation too large to qualify for Within-County Periodicals rates. If the tally publication is a CPP publication, it is assumed to be Outside County Periodicals, and the activity code is changed appropriately. If it is not a CPP publication, the tally is checked manually.

Tallies that do not occur within the county of original entry, have no Within-County Periodicals *PostalOne* volumes for the office of original entry, but initially received a Within-County Periodicals activity code are processed through the program **dblechk22.f**. This program performs the same analysis as **dblechk.f**. An identical check for CPP publications is also performed using the FORTRAN program **checkcpp22.f**.

The manual check of IOCS Periodicals tallies uses a variety of criteria to determine the appropriate subclass. For FY 2005, 174 out of a total of 7,681 Periodicals tallies required manual checks. Tally data are exported to a Microsoft Office Excel workbook for easier viewing. To accelerate the manual checking process, several assumptions are used to determine Within-County Periodicals eligibility. First, if the office of original entry county and the destination county of the tally piece are different, the tally is assumed to be Outside-County Periodicals. Otherwise, the tally requires additional checks. If the original entry or destination county cannot be determined for an individual tally, further manual checks are needed. Next, any tally with a publication title that is obviously a large and national circulation, the title is assumed to be Outside County. Examples of such titles are Newsweek, Time, Sports Illustrated, and People Weekly. Third, if a publication was mailed at Within-County Periodicals rates at least once in the previous two years, it is assumed that it is still eligible to mail at Within-County Periodicals rates. Based on this assumption, tallies with missing county information have their publication title compared to the results of previous years' analysis. Tally publications that were manually assigned an activity code in previous years are assigned the same subclass from the most recent year. This check is performed manually using previous years' Microsoft Office Excel workbooks.

Within-County Periodicals eligibility requirements are used if the previous manual checks do not generate a definitive subclass. Publications that have a circulation of less than 10,000 and apparent local appeal are assumed to be Within-County publications. The nationally compiled directories *Gale Directory of Publications 139th edition* and *Bowker's News Media Directory, 55th edition, 2005, Volume 1* are used to determine circulation and provide