

DOCKET SECTION

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

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OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

ERRATUM TO EXHIBIT OF WITNESS CRUM

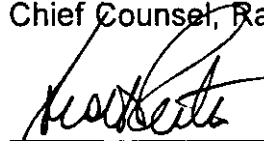
The United States Postal Service hereby files a revised Table 7 of witness Crum's Exhibit K. The two landscape pages constituting Table 7 that were part of Library Reference H-108 filed on July 10 were inadvertently printed as portrait pages when they were refiled as part of Exhibit K on October 1, resulting in truncation of lines.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
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November 26, 1997

Table 7
Calculation of Cost Difference Due to Differences in Presorting and Drop Shipment
FY 1996 Bulk Standard Mail (A)

1) Weight by Entry Discount (Appendix A)									
	None	BMC	SCF	DDU	Total				
Flats	1,415,393	1,403,515	2,168,316	970,803	5,958,027				
Parcels	365,493	108,058	37,195	2,108	512,855				
2) Cost Avoidance \$/lb (LR-H-111)									
	None	BMC	SCF	DDU					
	0	0.0904	0.1105	0.1379					
3) Avoided Costs (= (1) * (2))									
	None	BMC	SCF	DDU	Total	Average Avoided Cost/Piece			
Flats	0	126,878	239,599	133,874	500,350	0.017	(3a) = (3) total / (4) total		
Parcels	0	9,768	4,110	291	14,169	0.014	(3b) = (3) total / (4) total		
4) Pieces by Presort Level (Table 1 and Table 2)									
	Basic	3/5 Digit	Carrier	125 Walk	Saturation	Total			
Flats	1,740,525	10,035,893	8,721,423	746,451	7,448,043	28,692,335			
Parcels	284,711	627,083	55,587	1,815	13,451	982,647			
5) Presort Cost Avoidances \$ / pc (Exhibit USPS-T-29C)									
	Basic	3/5 Digit	Carrier	125 Walk	Saturation				
	0	0.082227	0.160176	0.18690	0.202025				

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6) Avoided Costs (= (4) * (5))									
Average Avoided Cost/ Piece	Basic	3/5 Digit	Carrier	125 Walk	Saturation	Total	Cost/ Piece		
	Flats	0	825,221	1,396,963	139,514	1,504,691	3,866,389	0.135	(6a) = (6) total / (4) total
	Parcels	0	51,563	8,904	339	2,717	63,524	0.065	(6b) = (6) total / (4) total
7) Cost Difference Due to Differences in Entry and Presort Profile									
Flats									
7a)	0.003 \$ / piece saved due to entry profile relative to parcels. (= (3a) - (3b))								
7b)	0.070 \$ / piece saved due to presort profile relative to parcels. (= (6a) - (6b))								
7c)	0.073 \$ / piece of difference in average costs of flats and parcels are explained by differences in presorting and entry profiles. (= (7a) + (7b))								

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.



Scott L. Reiter

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