

DOCKET SECTION

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

RECEIVED

DEC 9 4 55 PM '97

OFFICE OF THE SECRETARY
POSTAL RATE COMMISSION

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

**UNITED STATES POSTAL SERVICE
NOTICE OF ERRATUM TO LIBRARY REFERENCE H-126
(September 9, 1997)**

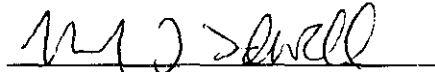
The United States Postal Service hereby gives notice that in preparing today's response to Question 17 of the Presiding Officer's Information Request No. 7, the Postal Service discovered an error in USPS Library Reference H-126, Chapter VI, Section VI, page 1. A copy of the revised page is attached and is intended to supersede the original page. A revised copy of the USPS-LR-H-126 diskette for Chapter VI, Sections V-VIII (reflecting the corrected page 1 of Chapter VI, Section VI) is also being filed. It supersedes the original diskette version of H-126, Chapter VI, Sections V-VIII.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Michael T. Tidwell

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
Tel: (202) 268-2998; FAX: x5402
December 9, 1997

Standard (A), Nonprofit, Automation Basic Letters
 Per Piece Cost Summary by Operation

	[1] Mix of Handlings	[2] Pieces per Hour	[3] Wage Rate by LDC	[4] Dollars per Piece	[5] Piggyback Factor	[6] Premium Pay Adjustment	[7] Cents per Piece	[8] Weighted Cost
Outgoing Primary								
Manual	239	812	\$24.17	\$ 0.02977	1.00000	-0.001250	2.8523	0.0682
MPBCS	4,798	8,393	\$24.17	\$ 0.00288	1.00000	-0.000121	0.2759	0.1324
Outgoing Secondary								
Manual	76	691	\$24.17	\$ 0.03496	1.00000	-0.001468	3.3493	0.0254
MPBCS	790	8,393	\$24.17	\$ 0.00288	1.00000	-0.000121	0.2759	0.0218
State Distribution								
Manual	396	759	\$24.17	\$ 0.03184	1.00000	-0.001337	3.0503	0.1208
MPBCS	5,590	8,393	\$24.17	\$ 0.00288	1.00000	-0.000121	0.2759	0.1542
SCF Operations								
Manual	565	896	\$24.17	\$ 0.02698	1.00000	-0.001133	2.5847	0.1461
MPBCS	3,350	8,393	\$24.17	\$ 0.00288	1.00000	-0.000121	0.2759	0.0924
Incoming Primary								
Manual	324	562	\$24.17	\$ 0.04300	1.00000	-0.001806	4.1193	0.1335
MPBCS	1,489	8,393	\$24.17	\$ 0.00288	1.00000	-0.000*21	0.2759	0.0411
Incoming Secondary								
Manual All Sites	1,471	646	\$24.17	\$ 0.03740	1.00000	-0.001571	3.5834	0.5270
Manual Non-Automated Sites	1,375	1,143	\$24.17	\$ 0.02115	1.00000	-0.000888	2.0257	0.2785
MPBCS	2,212	6,633	\$24.17	\$ 0.00364	1.00000	-0.000153	0.3491	0.0772
DBCS First-Pass	5,724	7,467	\$24.17	\$ 0.00324	1.00000	-0.000136	0.3101	0.1775
DBCS Second-Pass	5,438	7,467	\$24.17	\$ 0.00324	1.00000	-0.000136	0.3101	0.1686
CSBCS First-Pass	1,286	17,124	\$24.17	\$ 0.00141	1.00000	-0.000059	0.1352	0.0174
CSBCS Second-Pass	1,267	17,124	\$24.17	\$ 0.00141	1.00000	-0.000059	0.1352	0.0171
CSBCS Third-Pass	1,254	17,124	\$24.17	\$ 0.00141	1.00000	-0.000059	0.1352	0.0170
Other								
Accept /Verification	10,000			\$ 0.00193	1.00000		0.19268	0.1927
Sort to P. O Boxes:								
DPS	517	2,341	\$24.17	\$ 0.01032	1.00000	-0.000434	0.9889	0.0512
Non-DPS or SS	290	1,171	\$24.17	\$ 0.02065	1.00000	-0.000867	1.9779	0.0574
								0.0000
%DPS¹	64.08%							

MODEL COST²	2.5175
MODEL WEIGHT³	0.0694
WEIGHTED COST⁴	0.1748

¹CSBCS and DBCS accepted volumes as a percent of total pieces (from flow model).

²Model cost equals sum of Column [8].

³Model weights from third-class profile in Chapter VI Section VII page 1.

⁴Weighted cost equals model cost times model weight.

Column [1]: Pieces in Letter Mail Flow * (1 + downflow density to same level for MPBCS)

Column [2]: Volume Variable mail processing productivities by operation (USPS-T-29, Appendix 1 page 43)

Column [3]: Base Year clerk and mail handler wage rates (USPS LR-H-146).

Column [4]: (1/Column [2] Pieces per hour) * Column [3] Wage Rate

Column [5]: All piggyback factors are set equal to one for the mail mix adjustment.

Column [6]: Column [4] * (Premium Pay Factor -1) (see USPS LR-H-77 for premium pay factor)

Column [7]: ((Column [4] * Column [5]) + Column [6]) * 100

Column [8]: (Column [1] * Column [7]) / 10,000

CERTIFICATE OF SERVICE

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



Michael T. Tidwell

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
Tel: (202) 268-2998; FAX: x5402
December 9, 1997