

**Impact on Periodicals Within County  
 FY 2008**

	<b>Original Method</b>		<b>Proposed Model or Alternative Method</b>	<b>Change</b>	<b>Percent Change</b>
PostalOne (Auto Offices)	570,523	68.7%			
Non-PostalOne (Panel of Offices)	260,364	31.3%			
<b>Volume (000)</b>	<b>830,887</b>	<b>100.0%</b>	<b>733,274</b>	<b>(97,613)</b>	<b>-11.7%</b>
PostalOne (Auto Offices)	61,142	68.6%			
Non-PostalOne (Panel of Offices)	27,977	31.4%			
<b>Postage Revenue (\$ 000)</b>	<b>89,119</b>	<b>100.0%</b>	<b>78,183</b>	<b>(10,936)</b>	<b>-12.3%</b>
<b>Rev./Pc. (Cents)</b>	<b>10.73</b>		<b>10.66</b>	<b>(0.06)</b>	<b>-0.6%</b>
<b>Attributable Cost (\$ 000)</b>	<b>94,344</b>		<b>94,344</b>	<b>0</b>	<b>0.0%</b>
<b>Cost/Pc. (Cents)</b>	<b>11.35</b>		<b>12.87</b>	<b>1.51</b>	<b>13.3%</b>
<b>Cost Coverage</b>	<b>94.5%</b>		<b>82.9%</b>		

Sources: USPS Petition, Appendix A, Tables 3 and 5 and USPS Response to CIR No. 1, Question 3.

The Postal Service argues that a similar downward revision to estimated Within County revenue would result if Proposal Two were rejected and the current method were applied using an updated sample frame and blow-up factors. *Id.* at 5.

Besides greater accuracy, the Postal Service asserts that the annual cost of applying the modeling approach would be about a tenth as much as updating and applying the current sample-based method (\$20,000 vs. \$200,000). *Id.* at 3-4 and Postal Service Response to CHIR No. 1, Question 4(e).

I. COMMENTS

*Public Representative.*<sup>4</sup> In the Public Representative's comments, she notes that the key assumption underlying the proposed modeling approach is that mail category volumes processed at offices of similar size have similar piece characteristics. She shows that the system revenue contribution from non-Postal One offices has gone

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<sup>4</sup> Public Representative Comments in Response to Order No. 245, July 29, 2009 (Public Representative Comments).