

FY 2012 Public Cost and Revenue Analysis (PCRA) Report

I. PREFACE

A. Purpose and Content

USPS-FY12-1, FY 2012 Public Cost and Revenue Analysis (PCRA) summarizes attributable costs for the United States Postal Service's main products. For market-dominant products, it presents product-specific costs, revenues, and volumes. For competitive products, it presents summary information.

B. Predecessor Document

Docket No: ACR-2011, USPS-FY11-1.

C. Corresponding Non-Public Document

USPS- FY12-NP11: FY 2012 Non-Public Cost and Revenue Analysis (NPCRA).

D. Methodology

The PCRA conforms to the Postal Regulatory Commission (PRC) methods for calculating attributable costs, which are revised annually. The Negotiated Service Agreement costs reported in the CRA, however, reflect a final adjustment made to the costs from separate analyses as the data became available.

High Density and Saturation Letters must meet presorting, machinability, addressing, barcoding, walk-sequencing, and other preparation requirements as specified in the Domestic Mail Manual. Letters failing to meet such machinability and barcoding requirements must be paid at flats rates and fall under the Standard High Density and Saturation Flats and Parcels category. DMM 243.6.4.1 and 243.6.5.1.

E. Input/Output

Among the primary outputs from the CRA report are the attributable costs by subclass. This attachment relies on inputs from USPS-FY12-7 and USPS-FY12-NP18, Cost Segment 3 Cost Pools, USPS-FY12-NP21, In Office Cost System (IOCS) Documentation, USPS-FY12-NP22, City Carrier Cost System (CCCS) Documentation, USPS-FY12-NP23, Rural Carrier Cost System (RCS) Documentation, and USPS-FY12-NP24, Transportation Cost System (TRACS) Documentation. Additionally, these items rely on inputs from USPS-FY12-NP13, FY 2012 CRA Model. The primary input for the international data shown on this report is the FY 2012 International Cost and Revenue Analysis (ICRA) report from USPS-FY12-NP2.

II. ORGANIZATION

The USPS-FY12-1, 2012 Public Cost and Revenue Analysis (PCRA) is a 9-page summary of domestic and international attributable costs by rate category, differing from the non-public version (USPS-FY12-NP14) by not presenting product-specific data for competitive products.