

## WORKSHARING DISCOUNTS

### I. PREFACE

#### A. Purpose and Content

USPS-FY12-3 reports worksharing discounts, cost avoidances and passthroughs for market dominant products for FY 2012.

#### B. Predecessor Documents

Docket No. ACR2011, USPS-FY11-3.

Annual Compliance Determination FY 2011, Chapter VII (March 28, 2012).

#### C. Methodology

Costs avoided due to worksharing are developed in the input attachments identified in the Input/Output section below. The cost methodologies used are described in the individual input attachments. Discounts are developed by taking the differences between the current prices of the workshared pieces and benchmark pieces as shown on USPS Notice 123—Price List, effective June 24, 2012. Passthroughs are calculated for each discount as the ratio of the discount to the avoided cost.

For the Periodicals class, bundle and container prices are presented as a percentage of cost. It should be noted that these calculations are not cost avoidances or worksharing passthroughs.

#### D. Input/Output

This folder relies on avoided cost estimates due to worksharing developed in folders USPS-FY12-10, USPS-FY12-11, USPS-FY12-12, USPS-FY12-13, USPS-FY12-15, USPS-FY12-19 and USPS-FY12-21. Discounts rely on prices from USPS Notice 123—Price List, effective June 24, 2012. Specific sources are listed at the bottom of each table in USPS-FY12-3.

### II. ORGANIZATION

In addition to this Preface, USPS-FY12-3 includes an Excel workbook entitled FY12.3.Worksharing Discount Table\_Final.xls. This workbook contains sixteen worksheets showing the benchmark pieces, discounts, cost differentials and passthroughs for each type of worksharing offered in FY 2012 for market dominant products. The following worksheets are included:

FCM Single Piece Letters, Cards  
FCM Bulk Letters, Cards  
FCM Flats\*  
Periodicals Outside County\*  
Periodicals Bundle-Container Pricing\*  
Periodicals Within County\*  
Within County Worksheet\*  
Standard Mail Letters  
Standard Mail Flats\*  
Standard Mail Parcels & NFMs  
Standard Mail Carrier Route  
Standard Mail HD-Sat Letters  
Standard Mail HD-Sat Flats - Parcels  
Media Mail & Library Mail  
Bound Printed Matter Flats  
Bound Printed Matter Parcels

USPS-FY12-3 also includes an Excel workbook entitled FY12.3Alternate.Worksharing Discount Table\_Final.xls. This workbook contains six worksheets (those marked with an asterisk above) reflecting the pending methodological changes filed with the Postal Regulatory Commission in Docket No. RM2012-8. The worksheets show the cost avoidances and passthroughs which would result should these proposed methodological changes be approved.