

Public Material Supporting Proposal Four

I. PREFACE

A. Purpose and Content

The purpose of USPS-RM2016-12/1 is to provide the supporting public materials for the processes used to calculate highway variabilities of capacity with respect to changes in volume. It also includes materials showing the impact of Proposal Four on Market Dominant products. The cost impacts for all products, including Competitive products, are contained in USPS-RM2016-12/NP1.

B. Predecessor Documents

None.

C. Methodology Changes

Not applicable

II. ORGANIZATION

In addition to this Word (pdf) Preface, USPS-RM2016-12/1 consists of a zip file containing ten directories. The table on the following page provides the name, purpose, and contents of each directory. The logical starting point to review these materials is the detailed textual explanation of all facets of the Proposal presented in ***Research on Estimating the Variability of Purchased Highway Transportation Capacity with Respect to Volume.pdf*** that is contained in the Highway.Variability.Report directory in USPS-RM2016-12/1.

List of Directories included in USPS-RM2016-12/1

Directory Name	Purpose and Contents
I. Commission.Analysis.Docket.N2010.1	Excel workbook with the data the Commission used in Docket No. N2010-1 to estimate the regressions in PRC-N2010-1-LR5. The workbook also includes an additional tab "Intra-SCF with Dummy" that estimates a regression model on Intra-SCF data with a dummy variable as discussed on page 12 of the report.
II. Commission.Est.Mod.FY10.15	SAS program, log, and output that calculates the capacity to volume variabilities from the Commission's model from Docket No. N2010-1 on day-of-week data from FY 2010-15.
III. Commision.Est.Mod.FY10.15.Drop.Zero.Test	SAS program, log, and output that calculates the capacity to volume variabilities from the Commission's model from Docket No. N2010-1 on day-of-week data from FY 2010-15 after dropping zero volume TRACS tests.
IV. Cost.Impacts.Capacity.Volume.Variabilities	Two Excel workbooks: 1) CS14-P-FY15.Proposed.Variabilities . This workbook incorporates the proposed variabilities into the purchased transportation cost model filed with USPS-FY15-32. The new variabilities are in column Q of tab Inputs – Variabilities and the cost impacts are shown in columns K though T on tab Outputs to CRA . 2) Impact.Proposed.Variabilities.FY2015.CRA.Costs.Public . This workbook shows the calculations necessary for Tables 2 and 3 in the proposal, which also correspond to Tables 16 and 17 in the Report.
V. Est.Cap.Vol.Mod.FY10.15.Drop.Zero.Test	SAS program, log, and output that calculates capacity to volume variabilities on day-of-week data from FY 2010-15 after dropping zero volume TRACS tests.
VI. Est.Cap.Vol.Mod.FY10.15.Drop.Zero.Test.Auto	SAS program, log, and output that calculates capacity to volume variabilities on day-of-week data from FY 2010-15 after dropping zero volume TRACS tests and testing and correcting for autocorrelation.
VII.Est.Cap.Vol.Mod.FY10.15.Drop.Zero.Test.Auto.Wk	SAS program, log, and output that calculates capacity to volume variabilities on weekly data from FY 2010-15 after dropping zero volume TRACS tests and testing and correcting for autocorrelation.
VIII. Est.Cap.Vol.Mod.FY11.15.Drop.Zero.Test.Auto	SAS program, log, and output that calculates capacity to volume variabilities on day-of-week data from FY 2011-15 after dropping zero volume TRACS tests and testing and correcting for autocorrelation.
IX. Highway.Variability.Report	Adobe file that provides a detailed technical account of the processes used to calculate the proposed variabilities between capacity and volume.
X. Input.Data.Sets	TRACS annual data from FY10-FY15 in SAS datasets that are used in the econometric models discussed in the report.