

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

PERIODIC REPORTING

Docket No. RM2008-2

NOTICE OF THE UNITED STATES POSTAL SERVICE REGARDING
MATERIALS DISTRIBUTED OR REQUESTED AT THE
AUGUST 27, 2008 TECHNICAL CONFERENCE
(August 29, 2008)

At Wednesday's technical conference in this docket, the Postal Service distributed written materials that had been previously prepared in response to informally-submitted questions on certain of the nine proposed methodology changes. Attached to this notice are copies of those materials. In addition, an electronic version of an Excel file relating to the MCS change included in Proposal Eight is attached to this pleading electronically. It includes the revised (FY07) MCS spreadsheet which produced the revised output table distributed at the conference (and attached in pdf form to this pleading).

At the technical conference, there was also discussion of Proposal Two, regarding the treatment of certain advertising costs as group-specific (rather than product-specific). There was a request for confirmation of certain information, plus a request for other information. In providing these, the Postal Service believes it will be useful to the objectives of this process to include a somewhat broader response reflecting some of the components of the discussion at the technical conference. That

response is also attached to this notice.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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August 29, 2008

Response to Discussion Regarding Proposal Two at the Technical Conference

Q. At the technical conference on August 27, 2008, with respect to the portion of Proposal Two which advocates the treatment of costs relating to Carrier Pickup as group-specific to Competitive Products, a request was made to confirm that Carrier Pickup is now available for Merchandise Return Service, and that Merchandise Return Service is a Market Dominant Product. A question was also raised as to whether Merchandise Return Service was explicitly mentioned in the Carrier Pickup advertising.

Discussion

Confirmed that Carrier Pickup is now available for Merchandise Return Service (MRS), and that MRS is a Market Dominant Product. In FY 2007, however, Carrier Pickup was not available for MRS. Moreover, further inquiry now suggests that, while MRS is now eligible for Carrier Pickup, MRS was not specifically mentioned in the Carrier Pickup advertising.

It may be useful at this point, however, to review the broader purpose of Proposal Two (which, conceptually, relates directly to the purpose of Proposal One as well). In the past, the PRC version of the CRA essentially presented attributable costs for subclasses. Consequently, advertising costs determined to be product-specific were included within the attributable costs of the subclasses involved. Because the concept of group-specific costs had no relevance in PRA-based ratemaking as conducted by the Commission, however, the “established” PRC-version methodology makes no provision for advertising costs which are not caused by a specific subclass (or product), but rather which are caused by one of the PAEA-based groups of products (i.e., either Market

Dominant or Competitive).¹ Therefore, one important purpose of submitting Proposal Two is to obtain Commission approval of the methodological change to assign, where appropriate, group-specific as well as product-specific advertising costs.

In the context of new PAEA costing standards and principles that were not applicable in the PRA-ratemaking era, approval of this expanded analysis of advertising costs seems reasonable. Group-specific costs respond to new requirements in the law. The *process* by which determinations would be made regarding which products or groups can be assigned particular advertising costs, however, remains fundamentally the same process employed in the past. In PRA-based ratemaking, the USPS-version base year witnesses estimated incremental costs, including advertising costs, for both subclasses and combinations of subclasses, so application of the concept of group-specific costs to advertising costs is not unfamiliar to the Postal Service costing personnel responsible for this function.

Proposal Two presented two types of specific advertising costs which were contemplated as appropriate candidates for application of a group-specific costing approach. By the time that FY08 is completed, however, there may be other advertising costs for which such an approach could be warranted. Therefore, to some extent, to focus too much on the specific examples identified in Proposal Two may cause participants to lose sight of the broader methodological principle at stake – is it appropriate to consider group-specific as well as product-specific advertising costs in the new PAEA environment?

¹ Similarly, with respect to Proposal One, there is no current methodology to assign the costs of Headquarters functional units to a group of products, rather than a specific product.

By the same token, however, the discussion at the technical conference on the specific examples in Proposal Two raised interesting issues. When the Postal Service applies the proposed methodology, is the appropriate standard for assignment of such costs exclusivity, or substantial preponderance? Carrier Pickup provides a useful backdrop for this discussion. In FY07, the products included in the Carrier Pick program did not include MRS, and were all Competitive. Under any standard, therefore, it would seem reasonable to assign the FY07 costs of Carrier Pickup advertising as group-specific to Competitive Products.

Now, because Carrier Pickup was expanded during FY08 to include MRS, does that change the fundamental nature and purpose of the advertising? The Postal Service would submit that, given the relative size and scope of MRS versus the larger Shipping Services products, the mere addition of this one product did not alter the primary aim of the program. This conclusion seems to be the appropriate outcome of the familiar incremental cost inquiry – if the product or group of products were eliminated, would the cost likely still be incurred?² The prudent answer would appear to be, no. If Competitive products were no longer offered by the Postal Service, it is unlikely that there would be advertising expenditures for the Carrier Pickup program, even if the program itself were continued, which also seems unlikely. (Conversely, we already know from FY07 that Carrier Pickup advertising would occur even if MRS were

² The same inquiry provides the standard for evaluation of other potential group-specific costs, such as those discussed as Proposal One in this proceeding. In each instance, the relevant question to be considered is whether the non-volume variable costs under review would likely be incurred if the Market Dominant group of products were eliminated, or if the Competitive group of products were eliminated. If the answer to one or the other of these questions is “no,” then the requisite causal link between the costs and one of the groups of products has been established.

omitted from the program, so it would seem impossible to conclude that it is actually MRS which is causing the advertising costs.) On that basis, the Postal Service proposes to assign FY08 Carrier Pickup advertising costs to Competitive products. Moreover, the Postal Service proposes to follow similar reasoning and analysis to evaluate other advertising expenditures in FY08 if they are 1) not assigned to specific products, but 2) seem to be at least potential candidates for group-specific treatment as either market dominant or competitive.

**COPIES OF MATERIALS DISTRIBUTED AT THE 8/27/08
TECHNICAL CONFERENCE**

Proposal 1 – Proposed Group Specific Cost Change (Cost Segment 18)

The following questions refer to the Finance Number Activity Survey.

1. 1. Is question 48 (or 5) “Do the operating expense resources (people and other expenditures) and activities in the Finance Number deal with one or more of the Market-Dominant or Competitive Products, or with one or more shapes of mail (Letter, Flat, Parcel)?” in your survey intended to establish for a particular finance number whether costs are institutional or fixed costs allocable to market dominant or competitive products?

RESPONSE: Yes, that is the starting point for determining if a particular finance number (FN) is Enterprise Sustaining (ES) (i.e. institutional); Market Dominant (MD) or Competitive (CP). However, Cost Attribution’s Group Specific Cost Team will have the final determination of the FN’s designation, of course subject to review by the PRC in their Annual Compliance Determination Report. As background, please note that this process is not a new process. Cost Attribution has identified HQ FNs that are product specific for years. For example, when the Priority Mail Processing Centers (PMPCs) had an administrative oversight group at HQ, these costs were assigned to Priority Mail. This FN Activity survey is a very similar process. It is simply more systematic and comprehensive.

1. 2. If so, does a no answer establish costs in that organization as institutional?

RESPONSE: In general, yes. However, Cost Attribution’s Group Specific Cost Team will have the final determination of the FN’s designation, of course subject to review by the PRC in their Annual Compliance Determination Report.

1. 3. Does a yes answer necessarily establish costs in that organizational as non-institutional (either product or group-specific to market dominant or competitive)?

RESPONSE: No. Most headquarter finance numbers have been and continue to be institutional/ES. So an FN that answered “yes” to Q48 would cause Cost Attribution’s Group Specific Cost Team to look further at the responses, but not automatically assign it as non-institutional.

1. 4. With respect to question 49, (Which of the following products are related to this Finance Number?), please explain whether criteria have been developed and if so how they would be applied to categorize finance numbers as either enterprise supporting, market dominant product supporting or competitive product supporting based upon responses to this question?

RESPONSE: The FNs that check only MD products would be potentially categorized as Group Specific to MD products. The FNs that check only CP products potentially would be categorized as Group Specific to CP. Cost Attribution’s Group Specific Cost Team will have the final determination of the FN’s designation, of course subject to review by the PRC in their Annual Compliance Determination Report.

1. 5. If a response to this question indicates support to both market dominant and competitive products does this mean that the corresponding finance number costs are categorized as institutional?

RESPONSE: In general, yes; although if further investigation determined that the FN was primarily for CP products, and had only an incidental resources devoted to MD products, for example, the Cost Attribution’s Group Specific Cost Team might change the designation.

1. 6. Are there any circumstances where a finance number could be classified as supporting either market dominant or competitive products only when a response to this question indicates support to both product groups? Please explain fully.

RESPONSE: Yes, as noted above, if an FN checked both MD and CP products, but further investigation determined that the FN was primarily for CP products, and had only an incidental resources devoted to MD products, for example, then Cost Attribution's Group Specific Cost Team might change the designation.

Proposal 3 – Proposed In-Office Cost System (IOCS) Mixed Mail Coding Changes

3.1. Please explain in general terms how the proposed change in assignment of mixed mail tallies to mail shapes would affect the distribution of those tallies to mail subclasses compared to the present treatment?

RESPONSE

For mail processing, the proposed change would affect only the input data into the mixed mail distribution methodology, but not the methodology itself. Under the current methodology, mixed mail tallies with IOCS shape activity codes are used only in the allied cost pools, thus only the distributed mail subclasses in allied cost pools are expected to be affected by this change in the input data.

For the allied cost pools, the proposed change would shift the great majority of the operation-based ‘all shapes’ tallies under the current treatment into more specific letter, flat and ipp/parcel tallies (see table below), based on the observed shape of the container contents or the shape-based type of container. The corresponding mail class distribution keys by shape would then be applied to the recoded tallies of the same shape, as is done in the current treatment. To the extent that the proportion of mailclasses varies by shape, the proposed change would reflect those variations in mailclass proportions through a more appropriate match between the shapes of the mixed mail tallies and the shapes of the distribution key tallies. The proposal would considerably reduce the magnitude of mixed mail costs to be distributed to subclasses where the shapes are not known (the 88 percent of all shape mixed mail costs under the current treatment would be reduced to 26 percent under this proposal—see table below). The proposal would prevent mixed mail tallies observed, for example to be parcel-shaped, from being distributed on the basis of tallies of all shapes (letter, flat and ipp/parcel combined).

Percent Distribution of Shape handling tallies in Allied Cost Pools		
IOCS activity codes (F9806)	Before Change	After Change
5610- letter shape	3%	30%
5620- flat shape	2%	25%
5700- ipp/parcel	2%	16%
5750- all shapes	88%	26%
6523-empty non-wheeled containers	6%	2%

3.2. Would direct tallies identified by shape form the basis for assigning the new shape-specific mixed mail tallies to subclasses by corresponding shape? Please explain.

RESPONSE

Yes. See the response to 3.1.

Proposal 4 – Proposed City Carrier Collection Cost Change

4.1. Are there data available indicating the distribution of mail volume by rate category across a sample or total blue collection boxes (percentage of total boxes receiving first class single piece, parcels, express mail, priority mail, etc.)?

RESPONSE: The data below reflect the distribution of collection mail from the file FY07 workpapers, CS06&7.xls, worksheet “7.0.6”.

Mail Category	Percentage of Collection Mail
First-Class Single-Piece Letters	91.04%
First-Class Single-Piece Cards	4.86%
Priority Mail	0.87%
Express Mail	0.05%
Parcels – Zone Rated	0.60%
US Postal Service Mail	0.98%
Free Mail	0.07%
International Mail	1.52%

Source: Columns 1,6,9,20 CS06&7.xls

When the Postal Service files the FY08 Annual Compliance Report, the distributions will be updated for FY08.

Proposal Four Questions

1. Is it correct that the distribution of blue box collection mail is the result of a special study conducted in R84-1? Are more recent data available?

Response:

The starting point for distributing the volume variable blue collection box costs to products is the special study submitted in Docket No. R84-1. However, that study only estimated proportions for the broad classes listed in Table 1.

Table 1: Distribution Key of Blue Collection Box Volume from Special Study submitted as part of Docket No. R84-1

Class	Estimated Proportion
First Class	95.90%
Periodicals	0.00%
Standard	0.00%
Package Services	0.60%
Other ¹	3.50%

¹Other includes classes Priority, Express, USPS, Free, and International

The distribution factors in Table 1 are used to attribute costs to mail classes or product groups. Further distribution to products within the product group are made by applying the relevant Revenue Pieces and Weight (RPW) proportions to classes of mail that are eligible to be found in a blue collection box. For example, Priority Mail blue collection box costs are calculated by finding the RPW Priority volume relative to other blue box eligible volume, and then multiplying by the 'Other' distribution factor (3.50 percent). In FY2007, the result was that 0.87 percent of volume variable blue collection box costs were attributed to Priority Mail.

Collection mail volumes from customer delivery points have been captured by the City Carrier Cost System (CCCS) for several years. In FY2008, CCCS augmented the type of collection volume data recorded. For blue collection box volume handled by carriers on letter routes, CCCS is now capturing the same breakouts by mail type as for collection mail from customer delivery points.

2. The filing says that the rule limiting stamped mail to weights less than 13 oz. "...would exclude some classes of mail that would have been there previously." To which classes of mail is the filing referring?

Response:

The new security rule excludes mail that is eligible for stamped postage that is between thirteen and sixteen ounces (previous rule). Specifically, this new rule excludes the portions of Priority Mail, Express Mail, First Class Mail International, Priority Mail International, and International Express Mail that are in excess of thirteen ounces. Admittedly, however, the new security rule does not categorically exclude any "classes of mail."

3. Are you able to document the extent to which Express Mail & Priority volumes have switched from blue box deposit to Carrier Pickup?

Response:

No. The Postal Service has publicly acknowledged that Carrier Pickup volume has grown rapidly since its outset. Without either baseline or updated blue collection box volumes, however, the transition of mail, by product, from blue collection boxes to Carrier Pickup cannot be quantified.

4. The filing says that blue collection boxes were put in place to serve First-Class single-piece letters, and agrees with the 2007 ACD that “boxes do not state that their use is solely for the collection of First-Class single-piece letters.” But the filing also says “...collection boxes are put into service for collecting First-Class single-piece letters....” Can you document this intended purpose for the use of collection boxes from a source other than the box itself?

Response:

Blue Collection boxes can be found in various locations such as city streets, airports, and throughout residential neighborhoods. The Postal Service provides these boxes as a convenience for customers to enter their mail. However, since these boxes do not contain rate schedules, scales, or zone maps, for people to properly utilize the convenience of a collection box, it is incumbent on them to know not only the mail classes eligible for deposit in a collection box, but also the correct postage for each individual piece of mail. While a small percentage of customers certainly possess the expertise to utilize collection boxes for products other than First Class Single Piece letter mail, the nature and location of the boxes results in the proportion of domestic First Class Mail being near unity, with only traces of other classes being found in blue collection boxes. The Postal Service provides numerous other avenues, often more convenient, for customers to enter flats and parcels, such as traditional window service or Carrier Pick Up. In addition, First Single Piece letter mail often is used for bill remittances, which include personal financial information such as credit card and bank account numbers. Blue collection boxes provide a higher level of security for those pieces, as compared to leaving pieces in door slots or in apartment buildings for carriers to pick up.

Empirically, an initial review of partial year new data captured by the City Carrier Cost System (CCCS) on collection mail indicates that the First Class Mail distribution factor is higher from blue collection boxes than customer delivery points.

5. There are Express collection boxes. Are any collection boxes meant only for Priority Mail?

Response:

No.

Proposal 7 – Proposed Change in Distribution Key for VSD Costs

7.1. Please explain in general terms the criteria used to distribute transported intra-SCF mail volume between highway transportation contractors and vehicle service drivers.

Response:

There are no specific criteria that determines whether a specific trip is handled by an Intra-SCF contract or a Vehicle Service Driver (VSD). A general guideline is for VSD to handle trips within a city of no more than twenty-five miles whereas Intra-SCF trips handle longer distances. However, this decision is made locally and involves a variety of factors such as availability of contract drivers, union relations, and history. At a given location that has both Intra-SCF and VSD trips, the Intra-SCF trips normally travel farther than VSD trips.

7.2. Do contractors and vehicle service drivers cover the same types of routes (SCFs to and from DDUs, between DDUs, SCFs to and from airports, etc.) and with the same frequency? Please explain fully.

Response:

Generally speaking, yes. Both Intra-SCF and VSD transport mail from SCFs to DDUs in the morning and return collection mail and empty equipment to SCFs from DDUs at similar frequencies. Due to the fact that many SCFs are located near airports, those trips are generally handled by VSD, but airports are also served by Intra-SCF contracts as well.

Proposal Eight:

Proposal eight is intended to modify the mapping of First-Class automation flats pieces from preparation characteristics to rate elements. The 2007 version of the spreadsheets in question used a container-based mapping, and the Postal Service proposes to apply a bundle-based mapping instead. In order to assist in the evaluation of the impact of the proposal and the preparation for the Postal Service's 2008 ACR filing, please provide a version of the 2007 spreadsheets modified to reflect the proposed change.

Response:

See the attached two pages, the first of which shows the FY07 container based method, and the second of which shows the proposed bundle-based method (using FY 2007 data).

FIRST-CLASS MAIL PRESORT FLATS MAIL CHARACTERISTICS DATA
FY 2007 - AUTO
Source: USPS-FY07-14

<u>RATE CATEGORY</u>	<u>MACHINABILITY</u>	<u>TUB PRESORT</u>	<u>PACKAGE PRESORT</u>	<u>VOLUME</u>	<u>AVERAGE PCS PER PACKAGE</u>
Mixed ADC Auto Presort Flats	AFSM100	Mixed ADC	Mixed ADC	10,005,146	10.1
Mixed ADC Auto Presort Flats	AFSM100	Mixed ADC	ADC	13,551,225	17.4
Mixed ADC Auto Presort Flats	AFSM100	Mixed ADC	3-Digit	10,503,014	17.8
Mixed ADC Auto Presort Flats	AFSM100	Mixed ADC	5-Digit	1,593,637	13.5
Mixed ADC Auto Presort Flats	AFSM100	Mixed ADC	N/A (FULL TRAYS)	8,756,586	N/A
Mixed ADC Auto Presort Flats	UFSM1000	Mixed ADC	Mixed ADC	1,011,221	19.0
Mixed ADC Auto Presort Flats	UFSM1000	Mixed ADC	ADC	3,658,749	15.9
Mixed ADC Auto Presort Flats	UFSM1000	Mixed ADC	3-Digit	1,930,708	14.0
Mixed ADC Auto Presort Flats	UFSM1000	Mixed ADC	5-Digit	184,115	10.1
Mixed ADC Auto Presort Flats	UFSM1000	Mixed ADC	N/A (FULL TRAYS)	325,433	N/A
TOTAL				51,519,834	

<u>RATE CATEGORY</u>	<u>MACHINABILITY</u>	<u>TUB PRESORT</u>	<u>PACKAGE PRESORT</u>	<u>VOLUME</u>	<u>AVERAGE PCS PER PACKAGE</u>
ADC Auto Presort Flats	AFSM100	ADC	ADC	20,518,504	7.0
ADC Auto Presort Flats	AFSM100	ADC	3-Digit	29,812,470	26.0
ADC Auto Presort Flats	AFSM100	ADC	5-Digit	8,591,786	16.4
ADC Auto Presort Flats	AFSM100	ADC	N/A (FULL TRAYS)	40,979,751	N/A
ADC Auto Presort Flats	UFSM1000	ADC	ADC	1,629,462	17.2
ADC Auto Presort Flats	UFSM1000	ADC	3-Digit	3,799,366	26.9
ADC Auto Presort Flats	UFSM1000	ADC	5-Digit	4,018,543	16.3
ADC Auto Presort Flats	UFSM1000	ADC	N/A (FULL TRAYS)	377,640	N/A
TOTAL				109,727,522	

<u>RATE CATEGORY</u>	<u>MACHINABILITY</u>	<u>TUB PRESORT</u>	<u>PACKAGE PRESORT</u>	<u>VOLUME</u>	<u>AVERAGE PCS PER PACKAGE</u>
3-Digit Auto Presort Flats	AFSM100	3-Digit	3-Digit	55,507,358	13.3
3-Digit Auto Presort Flats	AFSM100	3-Digit	5-Digit	111,933,961	24.3
3-Digit Auto Presort Flats	AFSM100	3-Digit	N/A (FULL TRAYS)	75,264,732	N/A
3-Digit Auto Presort Flats	UFSM1000	3-Digit	3-Digit	8,415,117	21.2
3-Digit Auto Presort Flats	UFSM1000	3-Digit	5-Digit	23,074,457	14.9
3-Digit Auto Presort Flats	UFSM1000	3-Digit	N/A (FULL TRAYS)	1,341,646	N/A
TOTAL				275,537,270	

<u>RATE CATEGORY</u>	<u>MACHINABILITY</u>	<u>TUB PRESORT</u>	<u>PACKAGE PRESORT</u>	<u>VOLUME</u>	<u>AVERAGE PCS PER PACKAGE</u>
5-Digit Auto Presort Flats	AFSM100	5-Digit	5-Digit	176,095,288	31.0
5-Digit Auto Presort Flats	AFSM100	5-Digit	N/A (FULL TRAYS)	144,769,904	N/A
5-Digit Auto Presort Flats	UFSM1000	5-Digit	5-Digit	7,783,279	20.0
5-Digit Auto Presort Flats	UFSM1000	5-Digit	N/A (FULL TRAYS)	298,271	N/A
TOTAL				328,946,742	

**FIRST-CLASS MAIL PRESORT FLATS MAIL CHARACTERISTICS DATA
FY 2007 - AUTO RECAST DATA
DATA RECAST AFTER MCS ERROR CORRECTION**

<u>RATE CATEGORY</u>	<u>MACHINABILITY</u>	<u>TUB PRESORT</u>	<u>PACKAGE PRESORT</u>	<u>VOLUME</u>	<u>AVERAGE PCS PER PACKAGE</u>
Mixed ADC Auto Presort Flats	AFSM100	Mixed ADC	Mixed ADC	25,647,008	10.1
Mixed ADC Auto Presort Flats	AFSM100	Mixed ADC	N/A (FULL TRAYS)	22,446,473	N/A
Mixed ADC Auto Presort Flats	UFSM1000	Mixed ADC	Mixed ADC	2,592,144	19.0
Mixed ADC Auto Presort Flats	UFSM1000	Mixed ADC	N/A (FULL TRAYS)	834,209	N/A
TOTAL				51,519,834	

<u>RATE CATEGORY</u>	<u>MACHINABILITY</u>	<u>TUB PRESORT</u>	<u>PACKAGE PRESORT</u>	<u>VOLUME</u>	<u>AVERAGE PCS PER PACKAGE</u>
ADC Auto Presort Flats	AFSM100	Mixed ADC	ADC	27,306,469	17.4
ADC Auto Presort Flats	AFSM100	ADC	ADC	24,248,070	7.0
ADC Auto Presort Flats	AFSM100	ADC	N/A (FULL TRAYS)	48,428,477	N/A
ADC Auto Presort Flats	UFSM1000	Mixed ADC	ADC	7,372,582	15.9
ADC Auto Presort Flats	UFSM1000	ADC	ADC	1,925,643	17.2
ADC Auto Presort Flats	UFSM1000	ADC	N/A (FULL TRAYS)	446,282	N/A
TOTAL				109,727,522	

<u>RATE CATEGORY</u>	<u>MACHINABILITY</u>	<u>TUB PRESORT</u>	<u>PACKAGE PRESORT</u>	<u>VOLUME</u>	<u>AVERAGE PCS PER PACKAGE</u>
3-Digit Auto Presort Flats	AFSM100	Mixed ADC	3-Digit	32,756,857	17.8
3-Digit Auto Presort Flats	AFSM100	ADC	3-Digit	54,529,406	26.0
3-Digit Auto Presort Flats	AFSM100	3-Digit	3-Digit	69,233,744	13.3
3-Digit Auto Presort Flats	AFSM100	3-Digit	N/A (FULL TRAYS)	93,876,908	N/A
3-Digit Auto Presort Flats	UFSM1000	Mixed ADC	3-Digit	6,021,503	14.0
3-Digit Auto Presort Flats	UFSM1000	ADC	3-Digit	6,949,345	26.9
3-Digit Auto Presort Flats	UFSM1000	3-Digit	3-Digit	10,496,086	21.2
3-Digit Auto Presort Flats	UFSM1000	3-Digit	N/A (FULL TRAYS)	1,673,421	N/A
TOTAL				275,537,270	

<u>RATE CATEGORY</u>	<u>MACHINABILITY</u>	<u>TUB PRESORT</u>	<u>PACKAGE PRESORT</u>	<u>VOLUME</u>	<u>AVERAGE PCS PER PACKAGE</u>
5-Digit Auto Presort Flats	AFSM100	Mixed ADC	5-Digit	4,622,359	13.5
5-Digit Auto Presort Flats	AFSM100	ADC	5-Digit	14,615,113	16.4
5-Digit Auto Presort Flats	AFSM100	3-Digit	5-Digit	129,841,959	24.3
5-Digit Auto Presort Flats	AFSM100	5-Digit	5-Digit	78,014,514	31.0
5-Digit Auto Presort Flats	AFSM100	5-Digit	N/A (FULL TRAYS)	64,136,603	N/A
5-Digit Auto Presort Flats	UFSM1000	Mixed ADC	5-Digit	534,027	10.1
5-Digit Auto Presort Flats	UFSM1000	ADC	5-Digit	6,835,769	16.3
5-Digit Auto Presort Flats	UFSM1000	3-Digit	5-Digit	26,766,074	14.9
5-Digit Auto Presort Flats	UFSM1000	5-Digit	5-Digit	3,448,183	20.0
5-Digit Auto Presort Flats	UFSM1000	5-Digit	N/A (FULL TRAYS)	132,141	N/A
TOTAL				328,946,742	

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

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August 29, 2008