

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

EVOLUTIONARY NETWORK DEVELOPMENT
SERVICE CHANGES, 2006

Docket No. N2006-1

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-1 THROUGH 5)
(March 20, 2006)

The United States Postal Service hereby submits its responses to the following interrogatories of the Office of the Consumer Advocate, filed on March 3, 2006: OCA/USPS-1 through 5.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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March 20, 2006

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE**

OCA/USPS-1

In the USPS request for an advisory opinion, Docket No. N2006-1, the Postal Service indicates that it is currently unable to provide information on future network redesign service commitment upgrades or downgrades. (Page 3) Please explain what procedures the Postal Service currently plans on following and what information the Postal Service currently plans on providing to the Commission, after the advisory opinion in Docket No. N2006-1 is issued, for each future network redesign proposal? Please include in your response, information that will be provided to the Commission with regard to: (1) the classes and volumes of mail impacted, (2) the regions of the country involved, (3) number and types of consumers affected, (4) the number and specific identification of origin-destination pairs that are expected to change, (5) the impact on USPS costs and savings, and (6) the timing of the information provided to the Commission.

RESPONSE

The Postal Service is required by § 3661 to seek the Commission's advisory opinion before implementing plans to change services if those plans are expected to have at least a substantially nationwide impact. The purpose of this proceeding is to present the Postal Service's plans and objectives for review and to provide the Commission with such information as will permit it to opine on whether pursuit of those plans and objectives would conform to the policies of the Postal Reorganization Act. The Postal Service is not aware of any currently binding obligation to formally file progress updates with the Commission after the conclusion of the litigation of this docket.

As for any future network redesign proposals, the Postal Service will assess the state of the law at the time that any such proposals are poised for implementation and will proceed accordingly.

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OCA/USPS-2

Please describe the specific notice to be given to local communities potentially impacted by a proposed network redesign. Include in your response:

- a. the specific methods used to inform the communities of a change,
- b. the location of public notices placed in advance of a proposed network change,
- c. the methods used by the Postal Service to gather input from the community about their approval or disapproval of a future network change in relation to the impact it may have upon them.

RESPONSE

See the AMP Communications Plan in USPS Library Reference N2006-1/3. The AMP review process described in the testimony of witness Williams (USPS-T-2) is expected to affect hundreds of mail processing facilities throughout the postal system. After each Area Mail Processing feasibility study is submitted to USPS Headquarters for review, a summary of each study proposal will be disseminated to local print and broadcast news organizations and elected officials in accordance with that Communications Plan.

Among other things, the summary will identify the mail classes for which any service upgrades or downgrades are proposed and the affected ZIP Code pairs. The Postal Service has no plan for the direct solicitation of comments from the general public in relation to individual AMP studies. However, as comments from elected officials acting on behalf of the general public (and any unsolicited comments directly from the general public) are received, those comments are to be forwarded to appropriate Headquarters personnel for consideration as they recommend final action on a relevant AMP proposal.

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OCA/USPS-3

With regard to the information gathered in OCA/USPS-2 and pursuant to public notice of a proposed network change, please describe how and at what stage of the decision-making process, the public's opinion will be integrated into the Postal Service's decision to proceed with the proposed network change.

RESPONSE

See the response to OCA/USPS-2.

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OCA/USPS-4

The following interrogatory refers to library reference USPS-LR-N2006-1/5, pages 88 – 91.

- a. Please confirm that on page 90, an estimated 2,031 pieces per day (3-digit ZIP Codes 156 and 160) of First-Class mail will experience a downgrade from Overnight delivery to 2-day delivery. If you are unable to confirm, please fully explain.
- b. If your response to part a of this interrogatory is affirmative, please explain the derivation of the 2,031 pieces per day and include in your response a copy of all source documents not previously filed in this docket and the derivation of all calculated values.
- c. Please confirm that on page 91, an estimated 98 pieces per day (3-digit ZIP Codes 156 and 160) of Priority mail will experience a downgrade from Overnight delivery to 2-day delivery. If you are unable to confirm, please fully explain.
- d. If your response to part c of this interrogatory is affirmative, please explain the derivation of the 98 pieces per day and include in your response copies of all source documents not previously filed in this docket and the derivation of all calculated values.

RESPONSE

- a. Confirmed.
- b. The source of the data is the USPS ODIS/RPW data base, from which the Postal Service develops estimates of First-Class Mail volume in transit between each 3-digit ZIP Code pair. For further information, consult Docket No. R2005-1 USPS Library Reference K-14: Origin-Destination Information System and Revenue, Pieces and Weight (ODIS-RPW) Statistical and Computer Documentation (Source Code and Data on CD-ROM).
- c. Confirmed.
- d. The source of the data is the USPS ODIS/RPW data base referenced above in response to subpart (b). Priority Mail is one of the subclasses for which ODIS data are collected.

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OCA/USPS-5. The following interrogatory refers to library reference USPS-LR-N2006-1/5.

- a. Please confirm that on page 109, there is a reduction of one position, “Directory Analysis Spec. /16” (sic) for Monmouth P&DC 07799-9998.
- b. If your response to part a of this interrogatory is affirmative, please explain why the proposed annual work hours and the proposed annual cost were not updated to reflect the personnel reduction; and if appropriate, please provide revised documentation to reflect the personnel reduction.

RESPONSE

- a. Confirmed.
- b. If the proposed Monmouth Operations Support Specialist position figure (4) and the proposed Directory Analysis Specialist position figure (0) on page 109 had both been correctly carried over to page 110 [so that the corresponding figures on page 110 for Monmouth were (4) and (0) [instead of (3) and (1)], page 110 would correctly reflect a reduction of (-4) EAS positions in Monmouth.

As corrected, the bottom of page 110 would reflect a net loss of one (-1) EAS position (the EAS 16 Directory Analyst). The handwritten figures in the top right corner at the top of page 110 note the difference to the Annual Savings/Cost figure for Monmouth that would be associated with correcting those figures. The \$201,196 figure would be adjusted by subtracting \$2169 [the difference between the cost of the EAS 17 position (\$51,049) and the EAS 16 position (\$48,880)].

In the Headquarters approval of this AMP study, this \$2169 difference has been noted for purposes of completing the future Post-Implementation Review.