

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 OF DAVID POPKIN
(DBP/USPS-22-25, 27-29, 31-41, 43, AND 45-47)
(March 3, 2006)

The United States Postal Service hereby submits its responses to the following interrogatories of David Popkin, filed on February 27, 2006: DBP/USPS-22-25, 27-29, 31-41, 43 and 45-47. The interrogatories are stated verbatim and followed by the responses. Responses to DBP/USPS-26, 42, 44 and 48 are forthcoming

An objection to DBP/USPS-30 was filed on March 1, 2006.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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March 3, 2006

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-22 Appendix N of the April 2002 United States Postal Service Transformation Plan is entitled "Procedures for Closing Postal Facilities." Pages 6 through 10 relate to the "Consolidations - Implementation of Area Mail Processing Procedures." [a] Please advise whether all of the material contained on these five pages is still part of the current/proposed plan. [b] If not, please furnish details of the changes and explain the reasons for the change.

RESPONSE

The portion of Appendix N to which you refer was an attempt to summarize the contents of the same PO-408 Handbook that has been filed as a Library Reference in this proceeding.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-23 Please refer to your response to DBP/USPS-4. Please provide a listing of the PROPOSED service standards that would take place for each of the 41 pending AMP studies if the study indicated the proposed decision is approved as proposed.

RESPONSE

Any number of proposals may be under consideration as part of a District level feasibility study. The ultimate outcome cannot be known until the studies are completed and reviewed. Each District level study can contain proposals that are subject to modification at the Area Office level and that are later subject to modification at Headquarters. The Postal Service will not disclose proposals presently under consideration in discovery as part of this proceeding any earlier than such proposals are made public as part of the AMP feasibility study review process described in the testimony of witness Williams (USPS-T-2). Any public access to pre-decisional proposals would be managed as a part of that process.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-24 Please refer to your response to DBP/USPS-7. [a] Does the listing of 295 pairs include those pairs where post offices serve more than one state such as Alta WY 83414 served by the post office at Driggs ID 83422? [b] If not, why not?

RESPONSE

- (a) No.
- (b) The Postal Service did not go to the 5-digit level because service standards are only assigned and maintained at the 3-digit-to-3-digit level, which already constitutes the 850,950 ZIP Code pair maximum previously identified for each Mail Class (a 915 x 930 3-Digit pair matrix). A 5-digit-by-5-digit service standard database would require tracking approximately 1.8 billion ZIP Code pairs for each mail class, since we have something in the neighborhood of 42,700 5-digit ZIP Codes (42,700 x 42,700). We currently have no plans to go to such a database.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-25 Please refer to your response to DBP/USPS-7. [a] Please advise the plans that the Postal Service has to bring any or all of these pairs to meet the criteria listed on page 2 of the attachment to Witness Shah's testimony, namely, that all mail sent within the same state should be either overnight or 2-day standard. [b] In those instances where there are no plans to bring the particular pair into compliance, please explain the reasons why?

RESPONSE

(a&b)

The criteria to which your refer include guidance for considering whether to assign 2-day service standards for intra- or interstate destinations that are beyond the reasonable reach of surface transportation. The criteria do not require that all destinations within a state have either a one-day or a two-day service standard for First-Class Mail.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-27 Please refer to your response to DBP/USPS-9 subpart e. Please explain how First-Class Mail from the 049 ZIP Code area which is processed by the Bangor P&DC will not achieve overnight delivery to the 047 ZIP Code area which is also served by the same Bangor P&DC.

RESPONSE

There is nothing in the response to DBP/USPS-9(e) which says that the Postal Service will “not achieve overnight delivery” from ZIP Code 049 to ZIP Code 047. The response simply defines what the existing service standards are: one-day for Priority and two days for First-Class Mail. Although originating Priority Mail, generally speaking, has a Clearance Time several hours earlier than that of First-Class Mail, which could allow for an earlier delivery based on local circumstances, it is possible that some of the 049 to 047 First-Class Mail could also be delivered in one day.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-28 Please refer to your response to DBP/USPS-10. Please confirm, or explain if you are unable to do so, that after the Service Standard CD ROM for PQ 3-06, the service standards for Periodicals will either be equal to or slower than the service standards for First-Class Mail.

RESPONSE

After the 581 known errors in the Service Standards database are corrected, as previously planned, it is expected that the domestic (excluding military mail) service standards for Periodicals will either be equal to, or slower than, the service standards for First-Class Mail. The caveats previously outlined in response to DBP/USPS-8 regarding anomalies or database errors always apply when we respond regarding a database of such a large size.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-29 Please refer to your response to DBP/USPS-11. Please explain why the Service Standards CD ROM shows delivery standards for Periodical and Standard Mail to and from Alaska, Hawaii, and other offshore destinations but does not show it for Package Services.

RESPONSE

It is clearly stated in response to DBP/USPS-11 that there are no established service standards for Package Service mail to/from Alaska, Hawaii, and other offshore points. It is also clearly stated on page 4 of the Attachment to Mr. Shah's testimony, USPS-T-1, that "there are no established Package Services delivery standards to Alaska, Hawaii, or offshore destinations (e.g., Guam, Puerto Rico, Virgin Islands)." Therefore, it is unreasonable to expect the CD-ROM to reflect that which does not exist.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-31 Please refer to your response to DBP/USPS-13. Please clarify your response as it relates to Express Mail. [a] Is Express Mail delivered to all ZIP Codes throughout the country in 1 or 2 CALENDAR days as indicated on page 4 of the attachment to Witness Shah's Testimony? [b] If not, please provide complete details of the service standards that apply to Express Mail.

RESPONSE

- (a) There is no basis for inferring from the Attachment any indication that all Express Mail is delivered in either one or two days. The Attachment contains no assertion regarding service performance.
- (b) See the chart below.

For all Express Mail items, delivery on the Next Day, Second Day, or "2nd Delivery Day" is based on the ZIP Code of mailing (origin ZIP Code) and the ZIP Code of delivery (destination ZIP Code) in addition to the day of mailing and the time of entry.

Guaranteed Next Day delivery is available between many ZIP Code for items mailed during the week, Monday through Friday. The availability of Next Day service between ZIP codes is more limited for items mailed on weekends or

Federal holidays, for items destined to a ZIP Code that does not have delivery on Sundays or Federal holidays, and for PO-PO items or items addressed to a post office box that are sent immediately prior to a weekend. In such circumstances, or when the item is mailed to a remote destination ZIP Code, the guaranteed day of delivery will be the Second Day (or "2nd Delivery Day" as explained in note 2).

"2nd Delivery Day" is not a distinct service, but applies to mailings to those ZIP Codes where postal delivery is not provided on Sundays or Federal holidays, and delivery is guaranteed on the next regular delivery day. As indicated in the table, "2nd Delivery Day" typically applies only to mailings on Friday to a destination that lacks Sunday/holiday delivery; in that case, the piece is guaranteed for delivery on the next regular delivery day, which is Monday, or

Tuesday if Monday is a Federal holiday. "2nd Delivery Day" may also apply to Express Mail sent two days before a holiday: for example, a piece mailed on a Tuesday to a remote destination that does not have Sunday/holiday delivery. When Thursday is a Federal holiday would not be delivered until Friday (see note 3). For PO-PO items or items addressed to a post office box sent immediately prior to a weekend, "2nd Day Delivery" may apply if the post Office is closed on Saturday or has limited retail hours.

"2nd Delivery Day" may apply to mailings on days other than Friday when the piece is sent before a holiday, and the destination does not have Sunday/holiday delivery. In such a case, the piece will be guaranteed on the next regular delivery day, as follows:

<u>Day of Mailing</u>	<u>Holiday</u>	<u>Scheduled Day of Delivery</u>
Monday	Wednesday	Thursday
Tuesday	Thursday	Friday
Wednesday	Friday	Saturday
Thursday	Saturday	Monday
Saturday	Monday	Tuesday
Sunday	Tuesday	Wednesday

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-32 Please refer to your response to DBP/USPS-14. Please confirm that the response provides a listing of ALL facilities where mail processing takes place. For example, Aberdeen SD as referenced in DBP/USPS-33 does not appear to be on the list. In addition, is mail processed at the Fairbanks and Ketchikan AK post offices that also do not appear to be on the list? Please provide a complete response to the original interrogatory.

RESPONSE

The list was intended to reflect all mail processing plants (Processing & Distribution Centers/Facilities) subject to the Area Mail Processing review procedures. It is not a complete list of all facilities at which mail processing takes place. Some form of mail processing can take place in locations subordinate to a plant, such as a post office that houses one or more pieces of equipment used to perform processing that usually takes place upstream, or a plant annex which houses operations that would otherwise be under the same roof as the plant, but for space constraints.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-33 The attachment to Witness Williams' testimony shows that a study is being conducted with respect to the Aberdeen SD CSMPC. The website www.postalnews.com shows a newspaper article apparently from the Aberdeen American News of February 24, 2006. This article contains a discussion of a meeting held on February 23rd by Clem Felchle. [a] Please confirm, or explain if you are unable to do so, that Clem Felchle is the District Manager of the USPS Dakota District. [b] At the meeting Mr. Felchle was requested to provide a hard copy of the answers provided. If such a written response is provided to any of the meeting attendees, please provide a copy. [c] Please confirm, or explain if you are unable to do so, the statements attributed in the article to Mr. Felchle that there are approximately 20,000 pieces of mail sent from Aberdeen to Sioux Falls, that approximately 15,000 pieces of mail are sent from Sioux Falls to Aberdeen, and that approximately 355 pieces of mail are sent from Aberdeen to Jamestown ND. [d] Please provide any other mail volume numbers that were provided at the meeting and did not appear in the newspaper article. [e] Please explain why this data was released based on the statement made on first page of Library Reference N2006-1/5.

RESPONSE

- (a) Confirmed.
- (b) No such document has yet been generated.
- (c) The Postal Service can confirm that Mr. Felchle made statements at the meeting that were attributed to him in the newspaper article.
- (d) The Postal Service is unaware of any discussion of any other volume numbers at the meeting.
- (e) If the question assumes that the figures referenced in subpart (c) were disclosed contrary to postal policy and seeks to determine why such a disclosure could occur, the answer lies in the fact that the Postal Service is a large organization that employs hundreds of thousands of human beings who take countless actions every day, with the best of intentions. Ensuring that all such actions are in perfect compliance with postal policy is a challenge.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-34 For each of the 11 reports contained in Library References N2006-1/5 and /6 please provide a narrative as to the changes in service standards for First-Class Mail and Priority Mail in the following format: First-Class Mail between 087 and 080-084 will change from 2-day to overnight.

RESPONSE

Any First-Class mail or Priority Mail changes are listed in the feasibility studies in the respective Worksheets 7. You are free to take that information and format it as you desire.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-35 For each of the 11 reports contained in Library References N2006-1/5 and /6 please provide a narrative as to the changes in service standards for other classes of mail that appear on the Service Standards CD ROM such as Standard Mail, Periodicals, and Package Services.

RESPONSE

Any such changes are listed in the feasibility studies in the respective Worksheets 7.

You are free to take that information and format it as you desire.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-36 For each of the 11 reports contained in Library References N2006-1/5 and /6 please provide a listing of any changes that resulted between 2-day and 3-day First-Class Mail and Priority Mail.

RESPONSE

Any First-Class Mail and Priority Mail changes are listed in the studies in the respective Worksheets 7. You are free to compile them into a list or any other format that you desire.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-37 With respect to the Monmouth P&DC report as shown in Library Reference N2006-1/5, [a] were there any changes in the First-Class Mail or Priority Mail for mail from the 077 area [including between 077 and 080-084]? [b] If so, what were they and why are they not in the report?

(a&b)

All changes would be reflected on Worksheet 7.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
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DBP/USPS-38 With respect to the Monmouth P&DC report as shown in Library Reference N2006-1/5, I notice that only Federal elected officials were advised. [a] Please explain why state and county officials were not notified. [b] Is it the policy to only notify Federal elected officials and not state or county officials? [c] If so, please explain the rationale behind this.

RESPONSE

- (a) The determination was made at the local level that dissemination to the elected officials identified on Worksheet 3 would be sufficient for the purpose of ensuring that elected representatives of the affected population were informed and given an opportunity to channel constituent input.

- (b) No.

- (c) N/A

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-39 As noted in DBP/USPS-33 a meeting was apparently held with respect to the closing of the Aberdeen processing activity. [a] Is it a policy to have a meeting between postal officials and members of the community such as the Aberdeen meeting? [b] If not, why not? [c] If so, where in the eleven reports is this meeting documented? [d] What publicity was provided for the Aberdeen meeting, was the meeting open to the public, and what classes of the public were specifically invited?

RESPONSE

The question mischaracterizes the nature and purpose of the meeting.

- (a) Such meetings are not mandatory.
- (b) Because it is not mandatory that postal officials accept every meeting invitation that is extended to them.
- (c) N/A
- (d) The Postal Service representative was a guest at a meeting organized by a local Chamber of Commerce. He was invited to address the gathering at the suggestion of a U.S. Senator who also was invited. The Postal Service does not know what actions may have been taken by the Chamber of Commerce to publicize the meeting or who may have been invited.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-40 [a] Please confirm, or explain if you are unable to confirm, that when Plant A is closed and the mail that was previously processed at that plant is now processed at Plant B, that this could effect the ability of Plant B to effectively process the mail and maintain the level of performance, such as EXFC scores, that existed prior to the consolidation. [b] Please provide the evaluation of this effect on the service standards for each of the eleven reports contained in Library References N2006-1/5 and /6. [c] If this is not being considered, please advise why not.

RESPONSE

- (a) After the consolidation of an operation from Plant A to Plant B, it is not outside the realm of possibility – for reasons that may or may not have anything to do with the consolidation – that Plant B may not process mail as effectively as before the consolidation, and that EXFC scores for mail processed in Plant B may not be the same as before the consolidation.
- (b) Only the feasibility study in USPS Library Reference N2006-1/6 involved a plant closure, so this is not relevant to the other 10. The Marina post-implementation reviews have yet to be conducted.
- (c) N/A

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-41 [a] Please confirm, or explain if you are unable to confirm, that when Plant A is closed and the mail that was previously processed at that plant is now processed at Plant B, that this could increase the number of days that a plant may be stretched to complete the processing of the mail prior to the necessary cutoff that existed prior to the consolidation. [b] Please provide the evaluation of this effect on the service standards for each of the eleven reports contained in Library References N2006-1/5 and /6. [c] If this is not being considered, please advise why not.

RESPONSE

(a-c)

Please see the response to DBP/USPS-40. It is not known what is meant by a plant being “stretched.”

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-43 [a] Please confirm, or explain if you are unable to confirm, that when Plant A is closed and the mail that was previously processed at that plant is now processed at Plant B, that in general this will result in the mail being postmarked with the designation utilized at Plant B. [b] Please provide the evaluation of this effect for each of the eleven reports contained in Library References N2006-1/5 and /6. [c] If this is not being considered, please advise why not.

RESPONSE

(a) Confirmed.

(b&c) Only the feasibility study in USPS Library Reference N2006-1/6 involved a plant closure, so this is not relevant to the other 10. The Marina post-implementation review has yet to be completed. It is not certain from the question what would be evaluated. In general, mail formerly postmarked at Marina is expected to be postmarked at the gaining facilities identified in the study.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-45 [a] Please discuss the entry discounts that are provided to mailers for drop shipping mail at various levels of facilities. [b] How will the consolidations affect these discounts? For example, prior to the consolidation, a mailer apparently could obtain the DSCF rate for 077 and 087 mail deposited at the Monmouth P&DC facility and after the consolidation, a mailer would have to deposit 077 mail at the Kilmer P&DC and for 087 mail at the Trenton P&DC.

RESPONSE

(a&b) If mail entry rate qualification requirements change at any location and it becomes necessary for mail to be entered at a different location to continue to qualify for a current rate, affected business mail entry unit mailers are expected to be notified.

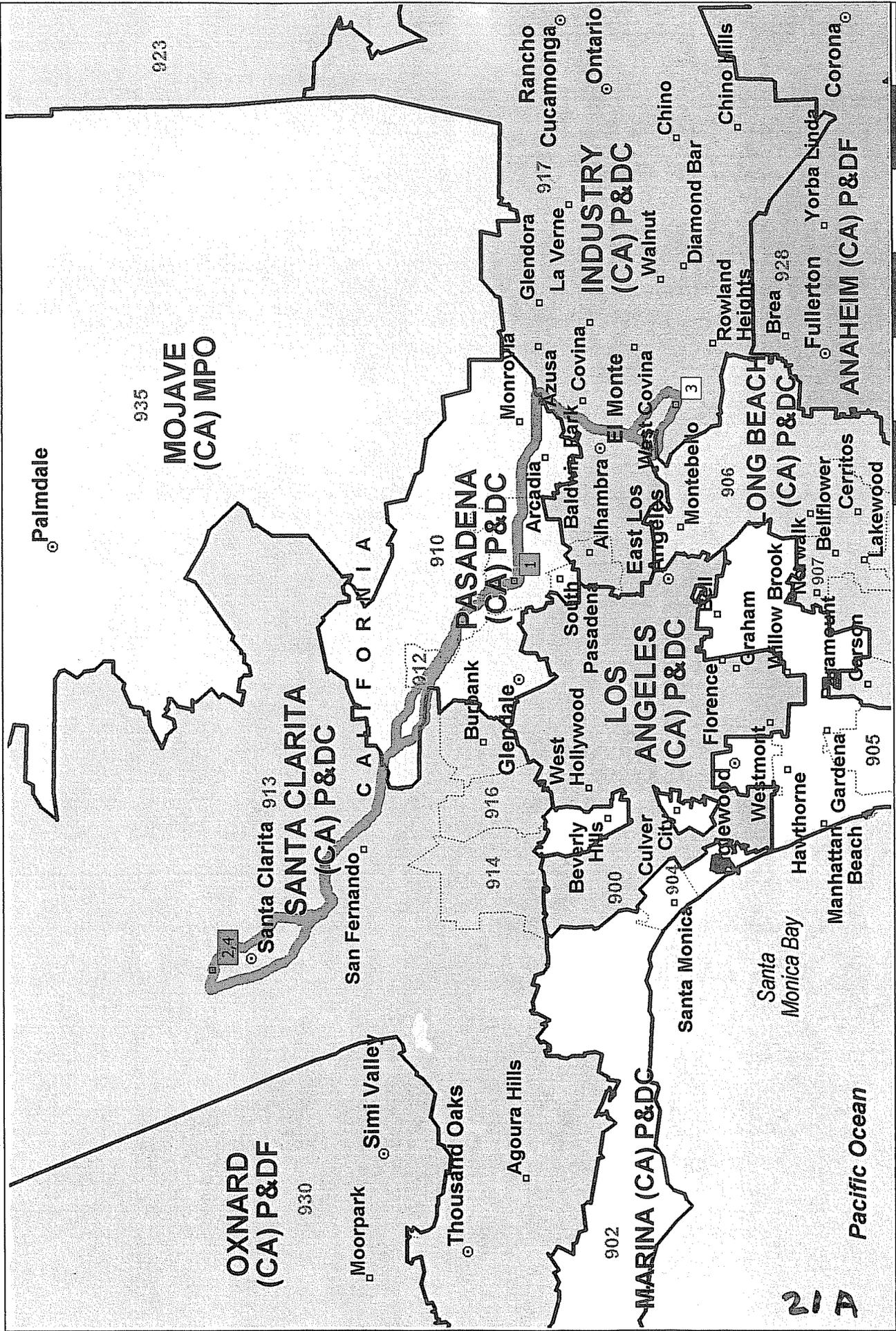
**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-46 On page 5 of Library Reference N2006-1/3 it indicates that maps would be provided. Please provide maps of the eleven reports contained in Library References N2006-1/5 and /6.

RESPONSE

Copies of maps not included in USPS Library References N2006-1/5 and N2006-1/6 are attached.

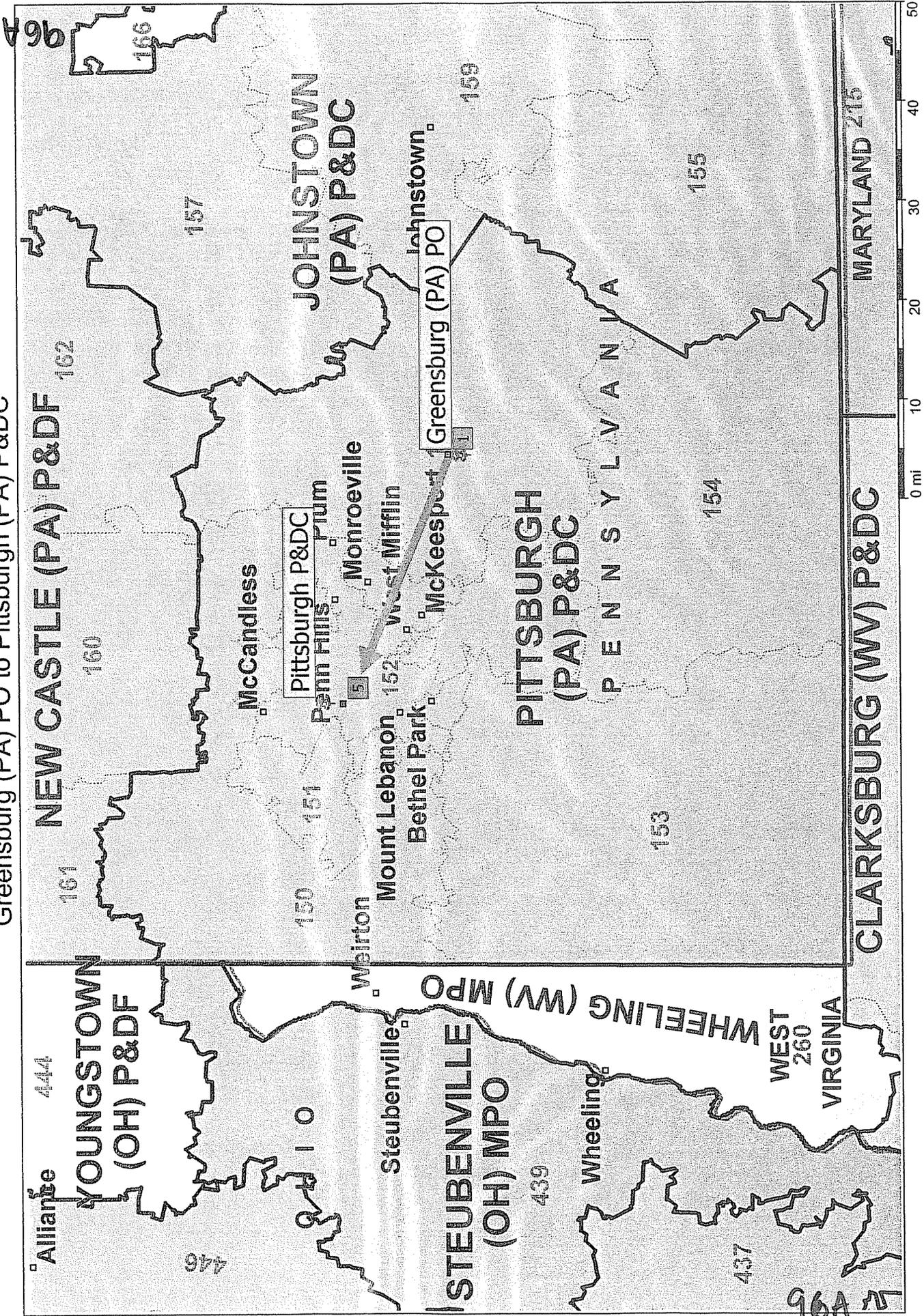
Pasadena (CA) P&DF to Santa Clarita / Industry (CA) P&DCs



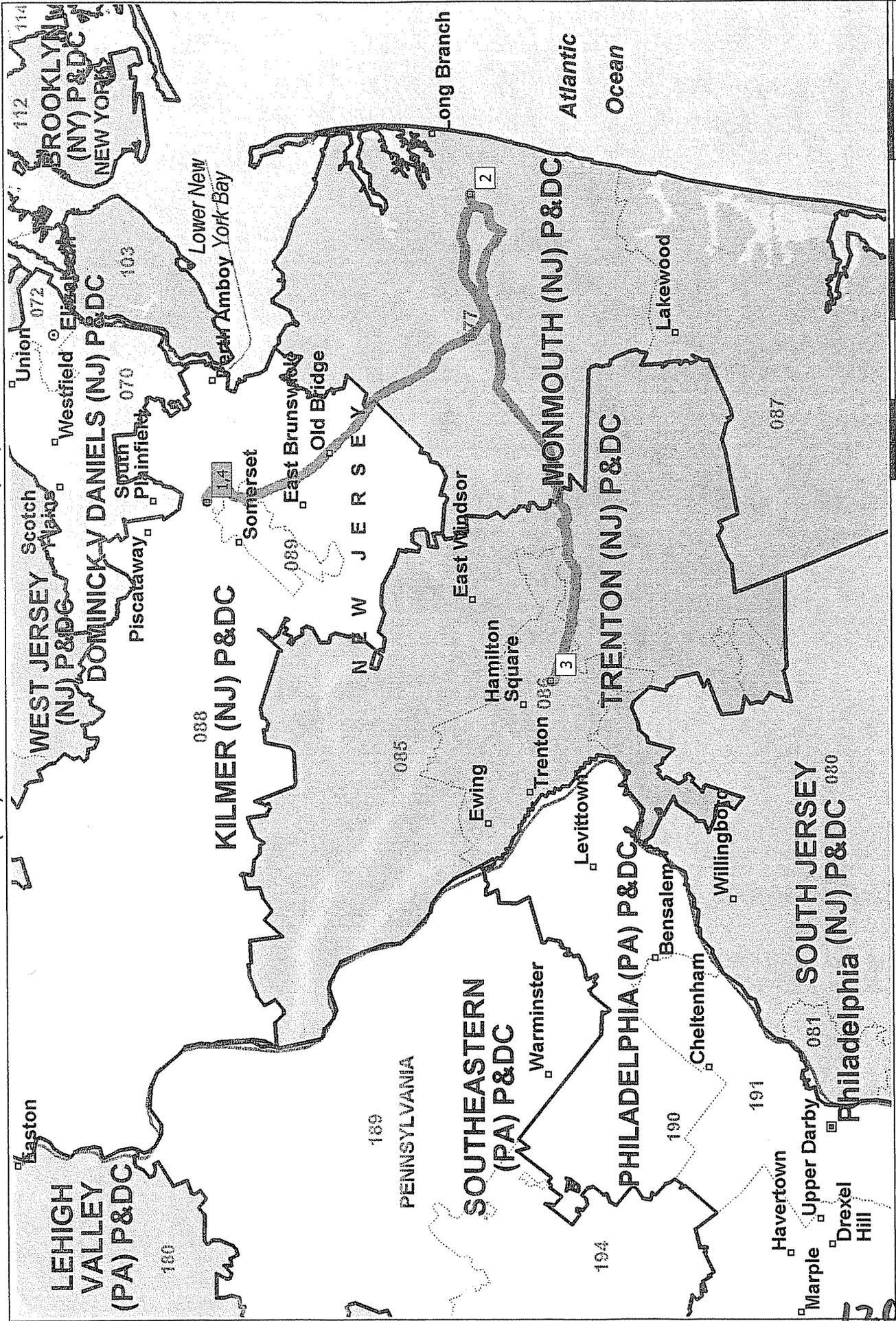
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Greensburg (PA) PO to Pittsburgh (PA) P&DC



Monmouth (NJ) P&DC to Kimer / Trenton (NJ) P&DCs

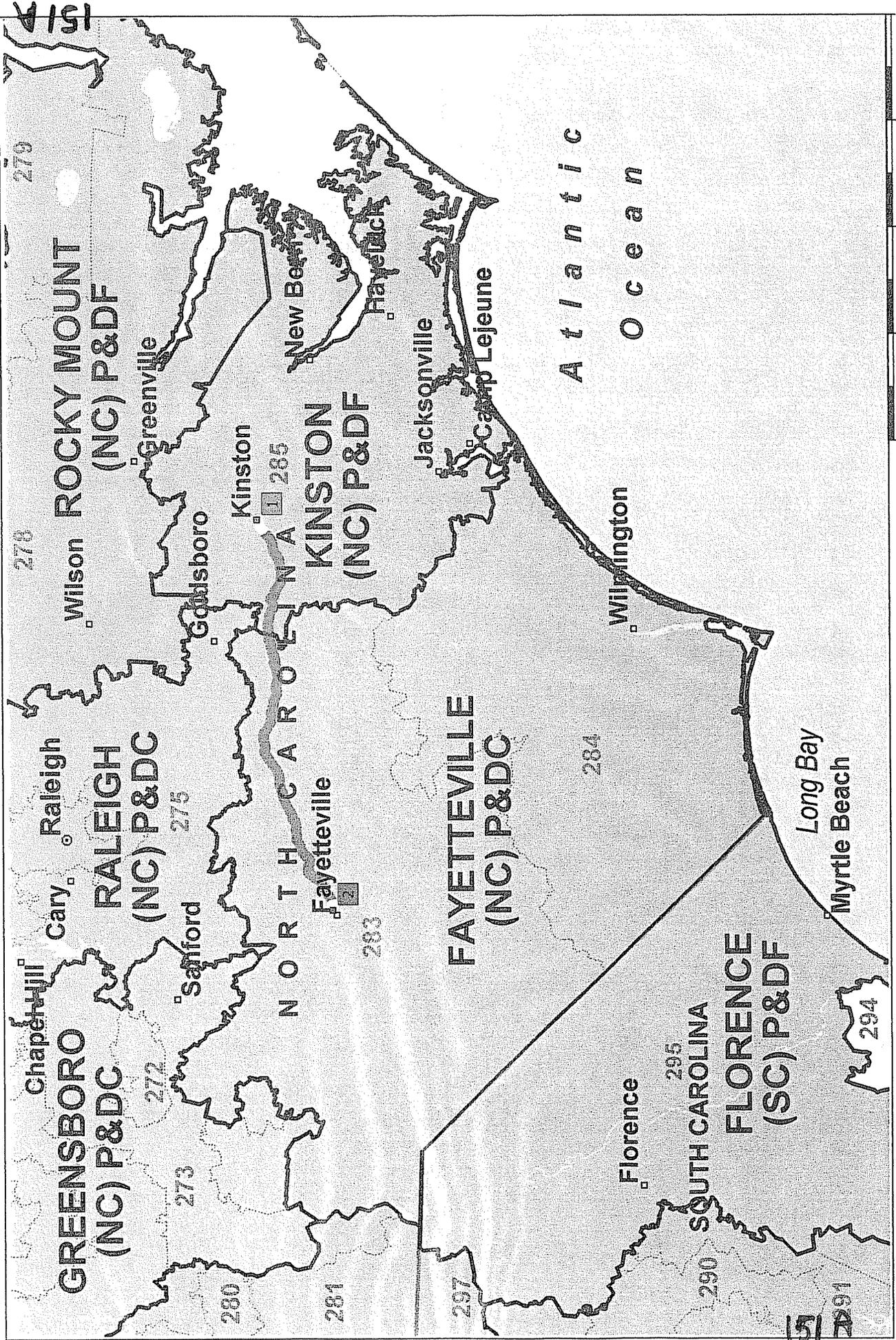


0 mi 10 20 30

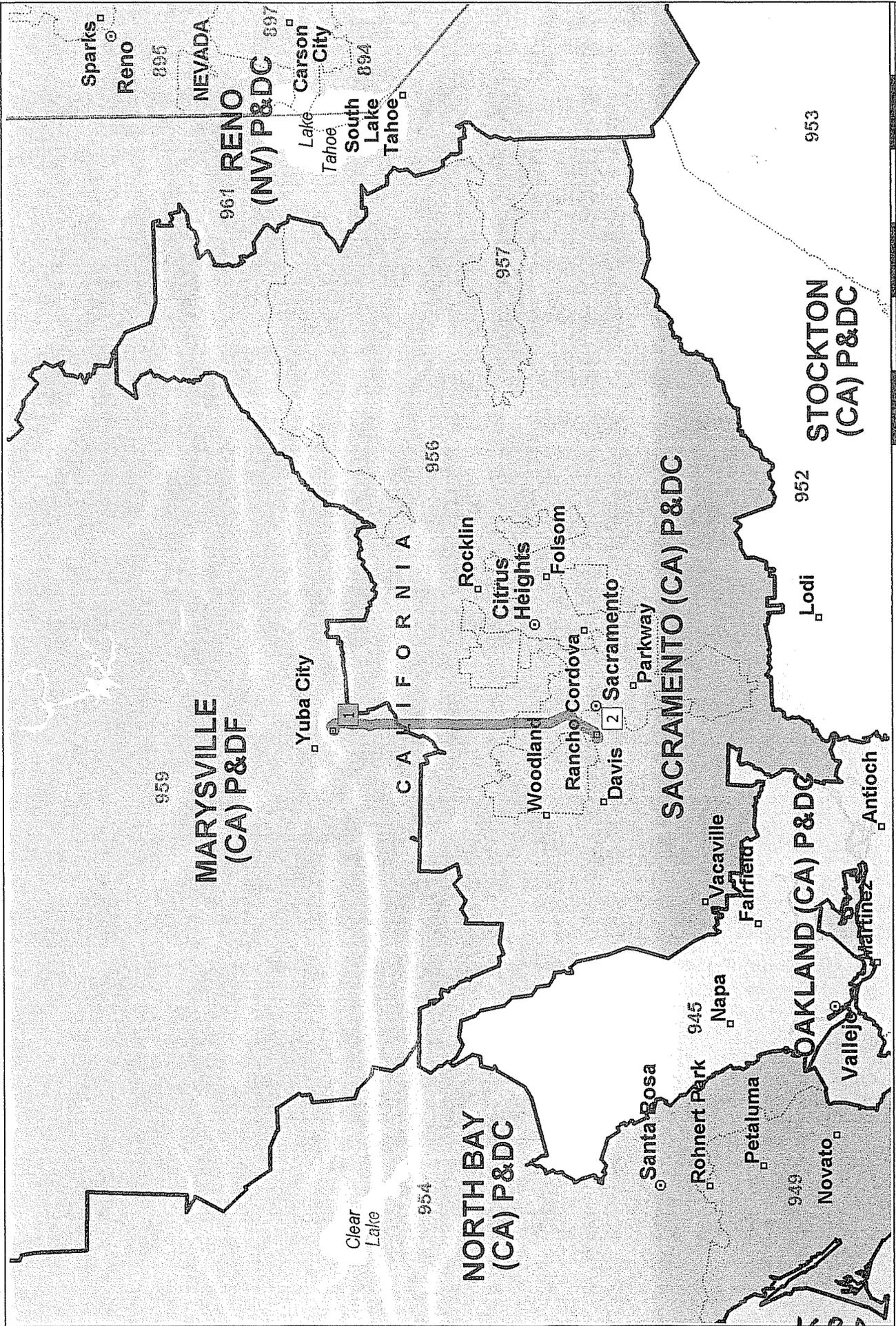
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120 A

Kinston (NC) P&DC to Fayetteville (NC) P&DC



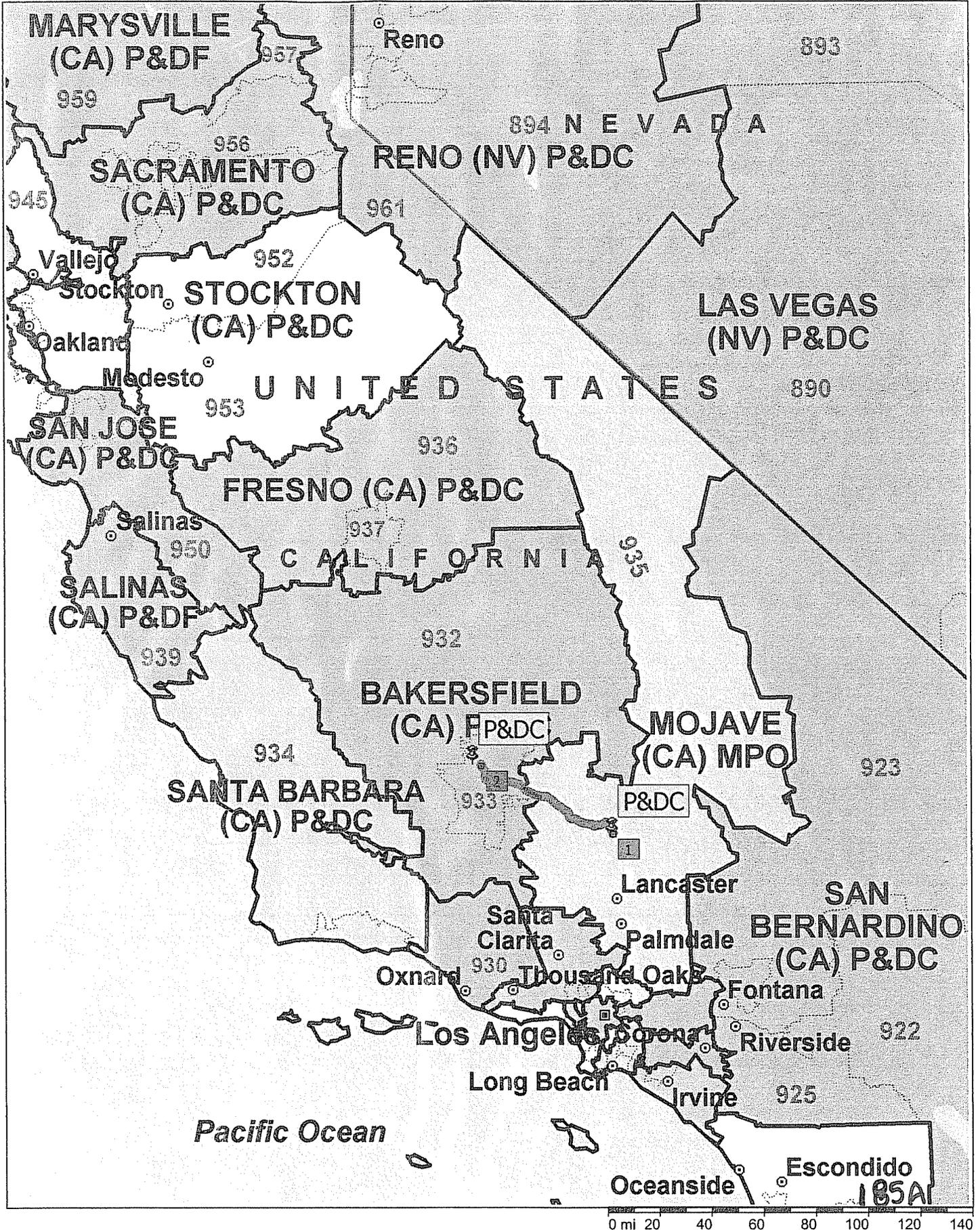
Marysville (CA) P&DF to Sacramento (CA) P&DC



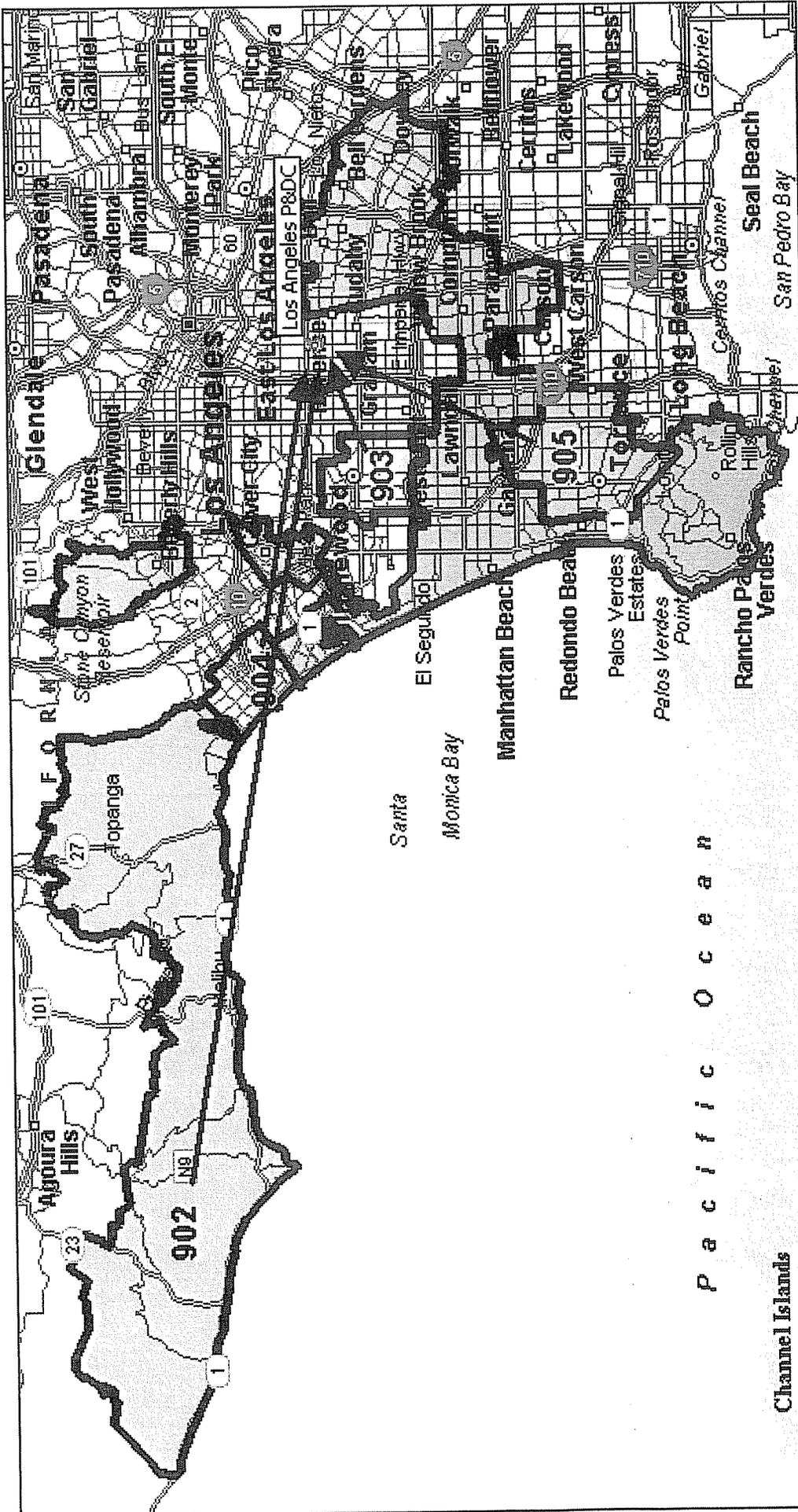
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168A

Mojave PO to Bakersfield P&DC



**Marina, CA P&DC AMP – Originating & Destinating Mail
 Marina P&DC (ZIPs 902-505) into Los Angeles P&DC**



LR6

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-47 On chapter 5 of Library Reference N2006-1/3 it indicates that post-implementation reviews would be provided. Please provide copies of any post-implementation reviews of the eleven reports contained in Library References N2006-1/5 and /6.

RESPONSE

They have not yet been generated. Please review the PIR timetable discussed at page 11 of the PO-408 Handbook.