

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

EVOLUTIONARY NETWORK DEVELOPMENT
SERVICE CHANGES, 2006

Docket No. N2006-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
PRESIDING OFFICER'S INFORMATION REQUEST NO. 5
(Question 3)

The United States Postal Service hereby provides its response to question 3 of Presiding Officer's Information Request No. 5, issued on June 9, 2006. The question is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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**RESPONSE OF THE UNITED STATES POSTAL SERVICE QUESTION
(POIR) NO. 5 QUESTION 3**

3. The Responses of the United States Postal Service to Presiding Officer's Information Request No. 3, question 2.d.iii states, "[t]he RDC concept is a combination of many best practices used in the current environment."

- a. Is the "current environment" referred to related exclusively to the United States Postal Service?
- b. Please list and briefly describe the many best practices that are combined in the RDC concept.

RESPONSE:

- a. No.
- b. **Shape based processing** – Shape based processing is the practice of sorting different classes of the same shape on the same equipment. For example, priority parcels, standard parcels, and bundles all use the same type of equipment, the APPS. Under the shape-based processing practice, these three products would be sorted in the same building, on the same machine, as opposed to three separate buildings. In this way, economies of scale can be realized, and the machine is more fully utilized.

Standardization – Standardization facilitates the control of the overall flow of the facility, and allows for a more streamlined facility.

Simplified – Simplification refers to the elimination of non-standard complex mail flows.

Hub-and-spoke – The hub-and-spoke concept allows for the massing of volume from a processing and transportation perspective.