

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

MAIL PROCESSING NETWORK RATIONALIZATION
SERVICE CHANGES, 2011

Docket No. N2012-1

**RESPONSES OF UNITED STATES POSTAL SERVICE
WITNESS DAVID WILLIAMS
TO AMERICAN POSTAL WORKERS UNION INTERROGATORIES
(APWU/USPS-T1-43, 45, 46)**

The United States Postal Service hereby files the responses of witness David Williams to the above-listed interrogatories of American Postal Workers Union dated February 23, 2012. Each interrogatory is stated verbatim and followed by the response. Interrogatory APWU/USPS-T1-44 has been redirected to witness Rosenberg for response. Interrogatories APWU/USPS-T1-39 through 42, 47 and 48 have been redirected to witness Neri for responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Anthony F. Alverno, Jr.
Chief Counsel, Global Business

Michael T. Tidwell

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2998; Fax -5402
March 20, 2012

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS
TO AMERICAN POSTAL WORKERS UNION INTERROGATORY**

APWU/USPS-T1-43 In reference to the analysis that is presented in USPS-LR-N2012-1/47, you state in your response to GCA/USPS-T1-1 that the “analysis performed suggested the savings potential from maintaining some level of overnight service standards, with some relaxation of overnight relationships was not as great as the proposed change.”

- a) Was there a target savings from the network consolidation that determined which service standards scenarios would be considered and which ones would not be considered? If so, what was that dollar value?
- b) Witness Rosenberg has stated that her modeling effort was not an optimization of the network. If a dollar savings goal was not established and there was not a specific optimization goal, what factors were used to determine how much change in the service standards was acceptable?
- c) What level of overnight service was available for each of the scenarios presented in USPS-LR-N2012-1/47?

RESPONSE

- (a) No.
- (b) Taking into account all service obligations, we sought to align our mail processing network to the workload requirements.
- (c) This level of analysis was not completed.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS
TO AMERICAN POSTAL WORKERS UNION INTERROGATORY**

APWU/USPS-T1-45 Is there a non-public version of the worksheet that has been filed as Public USPS-LR-N2012-1/47?

RESPONSE

No.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS
TO AMERICAN POSTAL WORKERS UNION INTERROGATORY**

APWU/USPS-T1-46 In its February 23, 2012 press kit, the Postal Service states that it has determined that it is feasible to consolidate 183 of the 212 facilities that underwent the AMP process under this initiative.

- a) When will the AMPs for those facilities be provided to the Commission?
- b) What is the AMP determined dollar value of savings estimated for those 183 facilities?
- c) Is the estimate of \$2.1 billion in savings that is presented in the press kit calculated from the AMPs or did that number come from witness Bradley's high level analysis?

RESPONSE

- (a) See USPS Library References N2012-1/73 and NP16.
- (b-c) The AMPs estimated approximately \$1 billion in savings associated with those facilities studied in the AMP process. Witness Bradley and Witness Smith's more comprehensive network analysis formed the basis for the estimate of \$2.1 billion. See the response to APWU-T1-26 for further discussion on the cost savings estimates.