

# OFFICIAL TRANSCRIPT OF PROCEEDINGS BEFORE THE POSTAL REGULATORY COMMISSION

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In the Matter of: )  
 )  
MAIL PROCESSING NETWORK ) Docket No. N2012-1  
RATIONALIZATION SERVICE )  
CHANGES, 2012 )

VOLUME #4

Date: March 22, 2012  
Place: Washington, D.C.  
Pages: 896 through 1528

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## HERITAGE REPORTING CORPORATION

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## POSTAL REGULATORY COMMISSION

In the Matter of: )  
 )  
 MAIL PROCESSING NETWORK ) Docket No. N2012-1  
 RATIONALIZATION SERVICE )  
 CHANGES, 2012 )

Suite 200, Hearing Room  
 Postal Regulatory Commission  
 901 New York Avenue, N.W.  
 Washington, D.C.

Volume 4  
 Thursday, March 22, 2012

The above-entitled matter came on for hearing  
 pursuant to notice, at 9:36 a.m.

## BEFORE:

HON. RUTH Y. GOLDWAY, CHAIRMAN  
 HON. NANCI E. LANGLEY, VICE CHAIRMAN  
 HON. MARK ACTON, COMMISSIONER  
 HON. ROBERT TAUB, COMMISSIONER

## APPEARANCES:

On behalf of the United States Postal Service:

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 JAMES M. MECONE, Esquire  
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 KENNETH N. HOLLIES, Esquire  
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On behalf of the Alliance of Nonprofit Mailers:

(No Appearance.)

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APPEARANCES: (Cont'd.)

On behalf of the American Postal Workers Union, AFL-CIO  
(APWU):

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On behalf of Association for Postal Commerce:

(No Appearance.)

On behalf of Douglas F. Carlson:

(No Appearance.)

On behalf of Direct Marketing Association:

(No Appearance.)

On behalf of Financial Services Roundtable:

(No Appearance.)

On behalf of Greeting Card Association:

DAVID F. STOVER, Esquire  
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Arlington, Virginia 22206-1450  
(703) 998-2568

On behalf of Magazine Publishers of America, Inc.:

(No Appearance.)

APPEARANCES: (Cont'd.)

On behalf of National Association of Letters Carriers,  
AFL-CIO (NALC):

(No Appearance.)

On behalf of National Association of Postmasters of the  
United States:

(No Appearance.)

On behalf of National Association of Presort Mailers:

(No Appearance.)

On behalf of National Newspaper Association (NNA):

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On behalf of the National Postal Mail Handlers Union  
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On behalf of the National Postal Policy Council:

(No Appearance.)

On behalf of City of New Orleans:

(No Appearance.)

On behalf of Newspaper Association of America:

(No Appearance.)

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APPEARANCES: (Cont'd.)

On behalf of Pitney Bowes:

(No Appearance.)

On behalf of David Popkin:

(No Appearance.)

On behalf of the Public Representative:

CHRISTOPHER J. LAVER, Esquire  
Postal Regulatory Commission  
Office of Consumer Advocate  
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Washington, D.C. 20268-0001  
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On behalf of Time, Inc.:

(No Appearance.)

On behalf of Valpak Dealers Association, as well as  
Valpak Direct Marketing Systems:

(No Appearance.)

On behalf of Parcel Shippers Association:

(No Appearance.)

## C O N T E N T S

## WITNESSES APPEARING:

DOMINIC L. BRATTA  
 CHERYL MARTIN  
 EMILY ROSENBERG

<u>WITNESSES:</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>	<u>VOIR DIRE</u>
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Response of United States Postal Service Witness Rosenberg to Presiding Officer's Information Request No. 4, LR-USPS-N2012	1445	1445



1 broadcast. In an effort to reduce potential  
2 confusion, I ask that counsel wait to be recognized  
3 before speaking and to please identify yourself when  
4 commenting. After you are recognized please speak  
5 clearly so that our microphones may pick up your  
6 remarks.

7                   There is one procedural matter arising from  
8 yesterday's cross-examination of Witness Whiteman.  
9 Postal Service counsel stated that he would be  
10 providing a document that would be entered into  
11 evidence this morning as an APWU cross-examination  
12 exhibit. Mr. Hollies, are you prepared to identify  
13 and enter that document into evidence?

14                   MR. HOLLIES: This is Mr. Hollies for the  
15 Postal Service. Yes. I have prepared copies of what  
16 has been marked for identification as APWU-XE-1. That  
17 would be Cross-Examination Exhibit No. 1 from the  
18 APWU, and this was discussed during cross-examination  
19 of Witness Whiteman yesterday.

20                   This consists of what this document also  
21 indicates, the All Sources Market Research Preliminary  
22 Results, and it has been put into a form where it is  
23 public information that can be put into a public  
24 transcript.

25                   I have provided two copies already to the

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1 court reporter, and I guess I would move that that be  
2 put into the evidentiary record.

3 MS. WOOD: Madam Chairman? Jennifer Wood  
4 for the American Postal Workers Union. I haven't  
5 actually seen this document yet this morning.

6 MR. HOLLIES: There are copies on the table  
7 to my left.

8 MS. WOOD: Could I take a look at it before  
9 it gets --

10 CHAIRMAN GOLDWAY: Yes. And do you have  
11 copies for the bench as well? Thank you.

12 Ms. Wood, is this document what you  
13 understood it was to be when we made this agreement  
14 yesterday afternoon?

15 MS. WOOD: Yes, ma'am, it is.

16 CHAIRMAN GOLDWAY: Okay. Then this document  
17 is entered into evidence, and it shall be transcribed.

18 (The document referred to,  
19 previously identified as  
20 Exhibit No. APWU-XE-1, was  
21 received in evidence.)

22 //

23 //

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APWU-XE-1

Product	FY 2010 RPW Volumes	Volume Changed Due to Service	Volume change %	Volume After Service Standard Change	2010 RPW Unit Revenue	Revenue Change	2010 ACR Unit Cost	Cost Change	Net Change
First-Class Mail									
Total Single Piece	31,643,333,000	-3,251,562,301	-10.3%	28,391,770,699	\$0.580	-\$1,885,906,135	\$0.349	-\$1,134,795,243	-\$751,110,892
Total Presort	46,225,386,000	-3,806,412,748	-8.2%	42,418,973,252	\$0.345	-\$1,313,212,398	\$0.117	-\$445,350,292	-\$867,862,107
Total First-Class Mail	77,868,719,000	-7,057,975,049	-9.1%	70,810,743,951	\$0.441	-\$3,199,118,533	\$0.217	-\$1,580,145,535	-\$1,618,972,998
Total Standard Mail	82,523,747,000	-4,373,758,591	-5.3%	78,149,988,409	\$0.210	-\$918,489,304	\$0.143	-\$625,447,479	-\$293,041,826
Total Periodicals	7,269,470,000	-1,432,085,590	-19.7%	5,837,384,410	\$0.258	-\$369,478,082	\$0.343	-\$491,205,357	\$121,727,275
Priority Mail/Express Mail	852,024,000	-122,719,149	-14.4%	729,304,851	\$7.610	-\$773,756,417	\$5.570	-\$600,766,371	-\$172,990,046
Parcel Select	268,357,000	0	0.0%	268,357,000	\$1.916	\$0	\$1.415	\$0	\$0
Parcel Post	89,875,000	0	0.0%	89,875,000	\$10.014	\$0	\$12.195	\$0	\$0
Media & Library	122,322,000	0	0.0%	122,322,000	\$3.015	\$0	\$3.749	\$0	\$0
Parcels	212,197,000	0	0.0%	212,197,000	\$5.980	\$0	\$7.330	\$0	\$0
BPM	474,488,000	0	0.0%	474,488,000	\$1.080	\$0	\$1.010	\$0	\$0
Totals	169,469,002,000	-12,986,538,379	-7.7%	156,482,463,621		-\$5,260,842,336		-\$3,297,564,741	-\$1,963,277,595

"All Sources" Market Research Preliminary Results

1                   CHAIRMAN GOLDWAY: Does any participant have  
2 any other procedural matter to raise at this moment?

3                   MR. STOVER: Thank you, Madam Chairman.  
4 David Stover for the Greeting Card Association. We  
5 have unavoidably some late designations. These are of  
6 responses which were received after the deadline  
7 for --

8                   CHAIRMAN GOLDWAY: Is that for one of the  
9 witnesses here today?

10                  MR. STOVER: For Ms. Rosenberg.

11                  CHAIRMAN GOLDWAY: Yes. Well, we'll take  
12 that when we swear her in.

13                  MR. STOVER: When Ms. Rosenberg comes to the  
14 stand? Thank you.

15                  CHAIRMAN GOLDWAY: I learned my lesson about  
16 that the other day. Thank you.

17                  So if that was the only issue then we'll  
18 begin. We'll proceed with the testimony of Witness  
19 Bratta. Mr. Mecone?

20                  MR. MECONE: Yes. James Mecone for the  
21 United States Postal Service. The Postal Service  
22 calls Dominic L. Bratta to the stand.

23                  CHAIRMAN GOLDWAY: Mr. Bratta, will you  
24 please stand?

25                  //



1 Q Do you have any changes or corrections to  
2 make to the testimony in front of you?

3 A I do. On page 1, lines 5, 6 and the first  
4 word in 7 need to be removed. On page 17, in the  
5 first line the word "reduced" needs to be changed to  
6 "change in".

7 Q With these changes, if you were to testify  
8 orally today would your testimony be the same?

9 A Yes, sir.

10 MR. MECONE: The Postal Service requests  
11 that the Direct Testimony of Dominic L. Bratta on  
12 Behalf of the United States Postal Service be admitted  
13 into evidence.

14 CHAIRMAN GOLDWAY: Is there any objection?

15 (No response.)

16 CHAIRMAN GOLDWAY: Hearing none, I will  
17 direct counsel to provide the reporter with two copies  
18 of the corrected testimony of Dominic Bratta.

19 That testimony is received into evidence.  
20 However, consistent with Commission practice it will  
21 not be transcribed.

22 (The document referred to,  
23 previously identified as  
24 Exhibit No. USPS-T-5, was  
25 received in evidence.)

1                   CHAIRMAN GOLDWAY: Counsel, can you identify  
2 the library references that have been filed by Witness  
3 Bratta in this document and indicate if he's relying  
4 on that material or not?

5                   MR. MECONE: Yes. We have six library  
6 references associated with Dominic L. Bratta's  
7 testimony, and he is relying on all six library  
8 references. The library references are LR-N2012-1/28,  
9 29, 30, 31, 32 and 33.

10                  BY MR. MECONE:

11                  Q     Are you familiar with Library References  
12 USPS/LR-N2012-1/28, 29, 30, 31, 32 and 33?

13                  A     I am.

14                  Q     Were these library references prepared by  
15 you or under your supervision?

16                  A     Yes, sir.

17                  Q     Do you sponsor these library references?

18                  A     Yes, sir.

19                  MR. MECONE: I ask that Library References  
20 USPS/LR-N2012-1/28, 29, 30, 31, 32 and 33 be admitted  
21 into evidence.

22                  CHAIRMAN GOLDWAY: Without objection. They  
23 are so entered.

24                  //

25                  //

1 (The documents referred to  
2 were marked for  
3 identification as Library  
4 Reference Nos.  
5 USPS/LR-N2012-1/28 through 33  
6 and were received in  
7 evidence.)  
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RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST No. 4

1. Please provide the source data and an explanation of the development of the figures in the column "2010 Volume" by operation in LR-USPS-N2012-1/13 file "USPS.LR.N2012.1.13" tab "FY2010 Workload." If the raw data were modified, please provide the spreadsheet or other program(s) used to produce the figures.

**RESPONSE:**

FY2010 MODS data from EDW were rolled up by operational category, based on groupings of operation numbers. Upon review of the Operation Number Mapping, adjustments were made; these refinements were included in column G. The original data were placed in column J to allow validation that the mappings were correct. Library reference USPS-LR-N2012-1/66 includes the MS Access database that generated the data. (POIR No4 Q1.mdb).

The database has five components:

Tables:

- (1) MODSFacilities, - List of MODS facilities
- (2) MODSFY2010\_by\_FAC\_OP – List of MODS facilities and their FY2010 workload by Operation Number
- (3) OPERATION tables – Operation Number mapped to shape-process category

Queries:

- (1) Workload Summary - Just Volume - merges 3 tables together and sums volume to shape-process category by MODS site.
- (2) Workload Hours Matrix – Work Hours by MODS facility

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST No. 4

2. LR-USPS-N2012-1/15 file "15\_LogicNet Model.xls" contains the inputs for a LogicNet Project.
  - a. Please confirm that the tab "PlantDetails" contains 476 processing facilities.
    - i. Please confirm that in column F, "Active," 125 facilities have a value of "False."
    - ii. Please confirm that facilities with a column F value of "False" cannot be chosen as production sites by a Logic Net optimization.
    - iii. Please discuss why these 125 facilities were not functionally included in the model.
  - b. Please confirm that the Logic Net model provided in "15\_LogicNet Model.xls" models the outbound transportation links between SCFs and 3-digit customer centroids.
  - c. Did the Postal Service attempt to model both inbound and outbound transportation links between 3-digit customer centroids and processing facilities?
    - i. If so, please provide the workpapers or Logic Net projects developed to model these links.
    - ii. Please discuss the relative merits of a model with one transportation leg (outbound) compared to one with two legs (outbound and inbound).
  - d. Did the Postal Service attempt to model inbound and outbound transportation links between processing facilities?
    - i. If so, please provide the workpapers or Logic Net projects developed to model these links.
    - ii. Please discuss the relative merits of a model with one transportation leg (outbound) compared to one with two legs (outbound and inbound).
  - e. Did the Postal Service attempt to model inbound and outbound transportation links between processing facilities and the NDC network?
    - i. If so, please provide the workpapers or Logic Net projects developed to model these links.
    - ii. Please discuss the relative merits of a model with one transportation leg (outbound) compared to one with two legs (outbound and inbound).
  - f. Did the Postal Service develop a sensitivity analysis to evaluate the importance of the cost inputs used in the Logic Net Model, such as the RT production cost and operating cost by facility? If so, please provide and explain the findings of the analysis, and provide the workpapers developed to support it.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST No. 4

**RESPONSE:**

- a. Confirmed.
  - i. Confirmed.
  - ii. Confirmed.
  - iii. Please see response to APWU/USPS-T3-20.
- b. Confirmed.
- c. No.
  - i. Not applicable.
  - ii. This model initiative was a decision support tool, not a decision making tool. It served as a starting point for discussion. In general, this modeling standardized mail flows such that a ZIP Code has the same origin and destination processing site by shape. With this assumption, separate modeling of inbound and outbound has less of an impact. Since increasing the complexity of the model increases run-time, we concluded that the additional computation time for separate modeling was unnecessary. Notwithstanding the modeling, the AMP process still controls a facility specific decision whether to consolidate operations.
- d. No.
  - i. Not applicable.
  - ii. Increasing the complexity of a model increases its run time. Given that results of the modeling were the starting point for discussion, rather than outcome determinative in and of themselves, separating analyses of inbound from outbound were not deemed essential. See *also*, the response to part (c)(ii), *supra*.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST No. 4

- e. No.
  - i. Not applicable.
  - ii. The NDC network was outside the scope of this modeling effort.
- f. No.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST No. 4**

3. LR-USPS-N2012-1/14 file "14\_Mail Processing Window Scoring Tool.xls" tab "Baseline Costs" contains square footage, operating hours, operating costs, overhead hours, and overhead costs for facilities with MODS Workhours.
- a. Please confirm that these data were used as inputs for LR-USPS-N2012-1/46.
  - b. Please confirm that the sum of Column AI "Overhead Hours" is 181,369,244. If not, please explain.
  - c. Please confirm that the sum of Column AJ "Operation Hours" is 104,472,615. If not, please explain.
  - d. In FY 2010, at the processing facilities with MODS workhours, did overhead hours constitute 63.45 percent of total hours  $(181,369,244 / (181,369,244 + 104,472,615))$ ?
  - e. Please provide the source data and an explanation of the development of the information in the tab "Baseline costs." If the raw data were modified, please provide the spreadsheet or other program(s) used to produce the figures.

**RESPONSE:**

- a. Not confirmed.
- b. Confirmed.
- c. Confirmed.
- d. Based on the subset of data identified by the question, the quotient is 63.45 percent.
- e. The cost data are from PSFR and included in library reference USPS-LR-N2012-1/36. The work hours data are derived from data in the Access database supplied in response to question one from POIR No. 4, USPS-LR-N2012-1/66 , (POIR No4 Q1.mdb), query entitled "Workload Hours Matrix."

1                   CHAIRMAN GOLDWAY: Next we will receive  
2 written cross-examination.

3                   Mr. Bratta, have you had an opportunity to  
4 examine the packet of designated written cross-  
5 examination that as made available to you in the  
6 hearing room today?

7                   THE WITNESS: Yes, Madam Chairman.

8                   CHAIRMAN GOLDWAY: Do you have any  
9 corrections or additions that you would like to make  
10 to that material?

11                  THE WITNESS: No.

12                  CHAIRMAN GOLDWAY: If the questions  
13 contained in that packet were posed to you orally  
14 today, would your answers be the same as those you  
15 previously provided in writing?

16                  THE WITNESS: Yes, ma'am.

17                  CHAIRMAN GOLDWAY: Then if everything is in  
18 order, counsel, would you please provide two copies of  
19 the designated written cross-examination of Witness  
20 Bratta to the reporter?

21                  That material is received into evidence, and  
22 it is to be transcribed into the record.

23                  //

24                  //

25                  //

1 (The document referred to was  
2 marked for identification as  
3 Exhibit No. USPS-T-5 and was  
4 received in evidence.)  
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BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Mail Processing Network Rationalization  
Service Changes, 2012

Docket No. N2012-1

DESIGNATION OF WRITTEN CROSS-EXAMINATION  
OF UNITED STATES POSTAL SERVICE  
WITNESS DOMINIC L. BRATTA  
(USPS-T-5)

<u>Party</u>	<u>Interrogatories</u>
American Postal Workers Union, AFL-CIO	APWU/USPS-T5-2-4 NPMHU/USPS-T5-3 PR/USPS-T5-4-5 PRC/USPS-T5-POIR No.5 - Q12 PRC/USPS-T5-POIR No.5 - Q15
National Postal Mail Handlers Union	APWU/USPS-T5-1-3, 6b NPMHU/USPS-T5-2-3, 5 PR/USPS-T5-1, 4-5 PR/USPS-T4-4h redirected to T5 PRC/USPS-T5-POIR No.5 - Q12 PRC/USPS-T5-POIR No.5 - Q13 PRC/USPS-T5-POIR No.5 - Q14 PRC/USPS-T5-POIR No.5 - Q15
Postal Regulatory Commission	APWU/USPS-T5-2, 4 PRC/USPS-T5-POIR No.5 - Q12 PRC/USPS-T5-POIR No.5 - Q13 PRC/USPS-T5-POIR No.5 - Q14 PRC/USPS-T5-POIR No.5 - Q15 PRC/USPS-T5-POIR No.5 - Q16 PRC/USPS-T5-POIR No.5 - Q17

Party

Interrogatories

Public Representative

APWU/USPS-T5-1  
APWU/USPS-T4-9 redirected to T5  
NPMHU/USPS-T5-2-3, 5  
PR/USPS-T5-1, 4-6

Respectfully submitted,



Shoshana M. Grove  
Secretary

INTERROGATORY RESPONSES OF  
 UNITED STATES POSTAL SERVICE  
 WITNESS DOMINIC L. BRATTA (T-5)  
 DESIGNATED AS WRITTEN CROSS-EXAMINATION

Interrogatory

Designating Parties

APWU/USPS-T5-1	NPMHU, PR
APWU/USPS-T5-2	APWU, NPMHU, PRC
APWU/USPS-T5-3	APWU, NPMHU
APWU/USPS-T5-4	APWU, PRC
APWU/USPS-T5-6b	NPMHU
APWU/USPS-T4-9 redirected to T5	PR
NPMHU/USPS-T5-2	NPMHU, PR
NPMHU/USPS-T5-3	APWU, NPMHU, PR
NPMHU/USPS-T5-5	NPMHU, PR
PR/USPS-T5-1	NPMHU, PR
PR/USPS-T5-4	APWU, NPMHU, PR
PR/USPS-T5-5	APWU, NPMHU, PR
PR/USPS-T5-6	PR
PR/USPS-T4-4h redirected to T5	NPMHU
PRC/USPS-T5-POIR No.5 - Q12	APWU, NPMHU, PRC
PRC/USPS-T5-POIR No.5 - Q13	NPMHU, PRC
PRC/USPS-T5-POIR No.5 - Q14	NPMHU, PRC
PRC/USPS-T5-POIR No.5 - Q15	APWU, NPMHU, PRC
PRC/USPS-T5-POIR No.5 - Q16	PRC
PRC/USPS-T5-POIR No.5 - Q17	PRC

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO  
AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY

**APWU/USPS-T5-1** On page 4 of your testimony you state “[s]taffing is developed at each facility based on the equipment inventory and its utilization. Each type of equipment has a prescribed number of annual workhours allocated for preventive, corrective, and operational maintenance.”

- a) How are the allocated workhours determined?
- b) How often are these allocated workhours revised?
- c) What causes a revision to the workhours allocation to be needed?

**RESPONSE:**

- a) Please see USPS Library References USPS-LR-N2012-1/28, 29, 30, and 59.
- b-c) The revision of workhours is subject to management discretion, which is based on factors which include the change in life or use of a component of the equipment.

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO  
AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY

**APWU/USPS-T5-2** On page 14 of your testimony you state "[t]he current fleet of mail processing equipment is in excess of 10,000 units. Under Network Rationalization, the total number of units could be as low as 5,000 units."

- a) What circumstances are required to get to the total number of units as low as 5,000?
- b) What is the likelihood of these circumstances coming to pass?
- c) What is the expected number of units after Network Consolidation?

**RESPONSE:**

a) The total number of units will diminish as the Postal Service experiences an increase in productivity and usage for individual machines. The closure of processing facilities and the resulting removal of equipment will also contribute to a reduction in the total number of units.

b-c) The actual number of units depends upon the results of AMP studies and implementation of the Network Rationalization Initiative.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRATTA TO  
AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY

**APWU/USPS-T5-3** Please refer to your testimony page 15, lines 3-10. For the facilities that remain open after Network Rationalization, will there be an increased need for MOS staff?

- a) If there will be an increased need, what is the expected increase in MOS staffing at the remaining facilities?
- b) How will this affect the total protected savings of the Network Rationalization?
- c) If the MOS staffing needs after Network Rationalization has not been examined, please explain why not.

**RESPONSE:**

- a) My testimony and corresponding library references account for the potential increase in the need for MOS Staff.
- b) Not applicable.
- c) Not applicable.

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO  
AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY

**APWU/USPS-T5-4** On page 15 of your testimony you state “[t]his estimate is partially contingent on new staffing criteria based on improvements in work practices.” Please explain what the new staffing criteria will be and identify and explain the improvements in work practices.

**RESPONSE:**

In the closing sites, virtually all mail processing equipment will be eliminated, resulting in a change in the status of the site from maintenance-capable to non-maintenance-capable. The improvement in work practices refers to changes in mail processing utilization and the resulting need for maintenance staffing.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRATTA TO  
AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY

**APWU/USPS-T5-6** Please see your response to APWU/USPS-T4-9, redirected to you from USPS Witness Neri.

\*\*\*

b) For each facility identified in subpart a) describe what happened to the excess equipment and building in each case.

\*\*\*

**RESPONSE:**

b) Please see the response to interrogatory APWU/USPS-T4-9(c-d).

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRATTA  
TO AMERICAN POSTAL WORKERS UNION INTERROGATORY  
REDIRECTED FROM WITNESS NERI

**APWU/USPS-T4-9** On page 22 of your testimony you indicate that “it is imperative that the Postal Service reduce on-hand [mail processing equipment] by repositioning and/or disposing of it.”

a) Is there anything that currently prevents the Postal Service from repositioning or disposing of mail processing equipment that it no longer needs in a specific location?

b) What steps are currently followed to recover the investment value of excess mail processing equipment?

c) For each of the P&DCs that have been closed since 2008, what has been done with the equipment in that location?

d) For each of the P&DCs that have been closed since 2008, what has been done with the building?

**RESPONSE:**

(a) The Postal Service has the option of repositioning or disposing of its mail processing equipment, and it exercises this option routinely.

(b-c) For excess equipment or equipment from P&DCs that have closed since 2008, the Postal Service has multiple options - relocation, disposal, modification, storage, and/or sale. The Postal Service determines which option(s) to apply to an individual piece of equipment based on equipment life, potential utilization, operational needs, equipment condition, and Postal Service mandates.

(d) The Postal Service selected from several options, including sale, lease termination, maintenance for storage or other operations, lease, or vacancy.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRATTA TO  
NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES

**NPMHU/USPS-T5-2** Referring to your response to PR/USPS-T4-4(h), redirected from witness Neri, you state that “[p]reventative maintenance, corrective maintenance, and operational maintenance increase as machines run for longer periods” and reference Library Reference 59 for more information.

(a) Please state whether there is any formula or formula for estimating the increase(s) in maintenance costs relative to increase in machine run times. If so, please provide that formula(s) and explain how it has been applied in this case.

(b) If the answer to (a) is no, please explain how the Postal Service has accounted for these increased costs in estimating the costs and savings associated with the redesigned network.

(c) Please explain how Library Reference 59 explains or quantifies the increase in maintenance costs associated with increased run time, including in your answer specific reference to specific documents within Library Reference 59.

**RESPONSE:**

(a-c) Maintenance resources are allocated according to the guidelines described in USPS Library Reference USPS-LR-N2012-1/59 and file “WHEP\_Staffing\_MMO\_074\_00.pdf” included in USPS Library Reference USPS-LR-N2012-1/32. These guidelines will continue to apply if the changes proposed in this docket are implemented. As equipment run times increase, maintenance will increase consistent with the guidelines. For example, the file titled “WHEP\_Staffing\_MMO\_074\_00.pdf” contains information regarding the workhours for each piece of equipment maintained by the Postal Service.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRATTA TO  
NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T5-3** Referring to your response to APWU/USPS-T5-2, you state that the “actual number of [mail processing equipment] units depends on the results of the AMP studies and implementation of the Network Rationalization Initiative.” Please provide the expected number of each type of mail processing equipment after network consolidation, given and assuming the implementation of the AMP decisions announced by the Postal Service on February 23, 2012, and published at <http://about.usps.com/what-we-are-doing/our-futurenetwork/assets/pdf/communications-list-022212.pdf>.

**RESPONSE:**

Because the AMP review process is not complete, and some AMPs are still under review and evaluation, an accurate count of the mail processing equipment that will compose the Postal Service network if the changes proposed in this docket are implemented cannot be provided. But witness Rosenberg (USPS-T-3) has informed me that the projection of mail processing equipment below is based on currently available information. Note that the projection includes non-AMP and stand-alone sites, and thus the sum of equipment in the AMP packages will not equal the projection presented below.

<b>Equipment</b>	<b>Amount</b>	<b>Comments</b>
AFCS	691	
AFSM-ALL	469	
APPS	63	APPS machines not included here are located at NDCs (11 machines)
CIOSS	171	
DBCS	2698	
DIOSS	766	
FSS	91	FSS machines not included here are located at NDCs (9 total machines)
SPBS	188	APPS machines not included here are located at NDCs (11 machines)

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRATTA TO  
NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES

**NPMHU/USPS-T5-5** Referring to the results of the AMP decisions announced by the Postal Service on February 23, 2012, and published at <http://about.usps.com/what-we-are-doing/our-futurenetwork/assets/pdf/communications-list-022212.pdf>:

- a) What costs are anticipated to be incurred in facilities and maintenance where a facility loses its originating mail processing, but not its other functions?
- b) What costs are anticipated to be incurred in facilities and maintenance where a facility loses its destinating mail processing, but not its other functions?
- c) What costs are anticipated to be incurred in facilities and maintenance where a facility loses its originating and destinating mail processing, but not its other functions?

**RESPONSE:**

My testimony does not estimate costs. The AMP packages contained in USPS

Library Reference USPS-LR-N2012-1/NP12 reflect the variations described in this interrogatory.

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO  
PUBLIC REPRESENTATIVE INTERROGATORY

**PR/USPS-T-5-1**

Please refer to page 13, footnote 1, of your testimony where you state: "My testimony is based on the assumption that affected facilities will be completely closed. However, only 95 percent of Labor Distribution Codes 37 and 38 and non-personnel costs will be realized as savings. The balance of the 5 percent is attributed to those functions that are not affected by Network Rationalization. Facilities that require building systems support may be supported by FMO operations or Building Equipment Mechanics until the facility is eliminated from inventory. The estimates in my testimony are based on the "full-up" environment where all closed facilities have been sold or leased."

- a. Please provide the basis for the 95 percent estimate.
- b. Are there any estimates of expenses associated with the leasing or selling facilities? If so, please provide the estimates.
- c. Please identify any analysis or data supporting the calculation of the potential costs associated with layoffs or relocations.

**RESPONSE:**

- (a) Please see Library Reference USPS-LR-N2012-1/40.
- (b) Please see *Direct Testimony of Marc A. Smith on Behalf of the United States Postal Service (USPS-T-9)* at page 20.
- (c) I am aware of no "calculation of the potential costs associated with layoffs or relocations" associated with my testimony.

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO  
PUBLIC REPRESENTATIVE INTERROGATORY

**PR/USPS-T-5-4**

Please refer to USPS-LR-33 Spare Parts, Copy of FY11\_Parts\_Network Consolidation Analysis.xls, Sheet: "1." Please clarify the meaning of Cell A9, "Estimated % Mail Processing Equipment Removals as % of Total Fleet." Please confirm that this cell refers to the percentage reduction mail processing equipment that would occur if the proposed network redesign plan were implemented.

- a. If confirmed, please provide the data and calculations used to derive the 40 percent figure.
- b. If not confirmed, please explain the meaning of cell A9 and explain how it was calculated.

**RESPONSE:**

The value in cell A9 reflects the percentage reduction in mail processing equipment likely to occur as a result of the proposed network rationalization plan.

- (a) The 40 percent figure is a conservative estimate based on the projected equipment set reflected in Library Reference USPS-LR-N2012-1/37, and the current equipment set reflected in Library Reference USPS-LR-N2012-1/17.
- (b) Not applicable.

RESPONSE OF THE UNITED STATES POSTAL SERVICE WITNESS BRATTA  
TO PUBLIC REPRESENTATIVE INTERROGATORIES

**PR/USPS-T5-5**

Please refer to USPS-LR-N2012-1/40 - Materials Responsive to PR USPS-T5-1(a), worksheet LR40.xls.

- a. Please define the acronyms used in this worksheet (such as CS, INT SQ FT, etc.), list the sources for data appearing in this worksheet, and provide a description of the data provided in this library reference.
- b. Please confirm that the file shows five different types of multi-purpose P&DCs that will remain after network realignment: District/CS, Retail, BMEU, OIG/IS, and Carrier Unit.
- [c]. Please explain the multiple functions performed at each of these 5 types of multi-purpose P&DCs.
- [d]. Please confirm that the file estimates that 2.8 percent of the square footage of P&DCs are multi-purpose facilities.
- [e]. Your response to PR/USPS-T-5-1(a), which asks you to explain how you determined that only 95 percent of Labor Distribution Codes 37 and 38 and non-personnel costs will be realized as savings, states that this worksheet contains the answer, yet it appears that 2.8 percent of remaining square P&DC footage is devoted to multi-purpose facilities. Please reconcile how the 2.8 percent figure demonstrates that 95 percent of Labor Distribution Codes 37 and 38 and non-personnel costs will be realized as savings?

**RESPONSE:**

a.

**Acronym / Column definition:**

MS-47 – Handbook used to determine cleaning requirements in all Postal facilities.

MS-1 – Handbook used to determine maintenance requirements in all Postal facilities.

Gross Bldg (MS-1) – Square footage of building as determined by guidelines of the MS-1 Handbook.

Gross Interior (MS-47) – Square footage of the interior of the building as determined by guidelines of the MS-47 Handbook.

Exterior Paved (MS-47) - Square footage of the paved/concrete exterior of the building as determined by guidelines of the MS-47 Handbook.

Exterior Unpaved (MS-47) - Square footage of the unpaved (grass) exterior of the building as determined by guidelines of the MS-47 Handbook.

RESPONSE OF THE UNITED STATES POSTAL SERVICE WITNESS BRATTA  
TO PUBLIC REPRESENTATIVE INTERROGATORIES

**RESPONSE to PR/USPS-T5-5 (continued):**

Ext.Pv-UnPv Combined (MS-47) - Square footage of the paved and unpaved (grass) exterior building as determined by guidelines of the MS-47 Handbook.

LCD36\_MPE\_TOT\_BAS – Total authorized mail processing equipment positions in the Plant and Stations/Branches prior to Network Rationalization.

LCD37\_BLDG\_MAIN\_TOT\_BAS - Total authorized building and building equipment positions in the Plant prior to Network Rationalization.

LCD37\_BLDG\_STA\_TOT\_BAS - Total authorized building and building equipment positions in Stations/Branches prior to Network Rationalization.

LCD37\_FMO\_TOT\_BAS - Total authorized Field Maintenance Operations positions for support of Associate Offices prior to Network Rationalization.

LCD39\_MOS\_TOT\_BAS - Total authorized Maintenance Operations Support positions for support of the Plant, Stations/Branches, and Associate Offices prior to Network Rationalization.

LCD38\_BLDSEV\_MAIN\_TOT\_BAS - Total authorized building services (Custodial) positions in the Plant prior to Network Rationalization.

LCD38\_BLDSEV\_STA\_TOT\_BAS - Total authorized building services (Custodial) positions in Stations/Branches prior to Network Rationalization.

LCD36\_MPE\_TOT\_PRO - Total projected mail processing equipment positions in the Plant and Stations/Branches after Network Rationalization.

LCD37\_BLDG\_MAIN\_TOT\_PRO - Total projected building and building equipment positions in the Plant after Network Rationalization.

LCD37\_BLDG\_STA\_TOT\_PRO - Total projected building and building equipment positions in Stations/Branches after Network Rationalization.

LCD37\_FMO\_TOT\_PRO - Total projected Field Maintenance Operations positions for support of Associate Offices after Network Rationalization.

LCD39\_MOS\_TOT\_PRO - Total projected Maintenance Operations Support positions for support of the Plant, Stations/Branches, and Associate Offices after Network Rationalization.

LCD38\_BLDSEV\_MAIN\_TOT\_PRO - - Total projected building services (Custodial) positions in the Plant after Network Rationalization.

LCD38\_BLDSEV\_STA\_TOT\_PRO - Total projected building services (Custodial) positions in Stations/Branches after Network Rationalization.

DISTRICT/CS SQ FT – Square footage of the Postal facility occupied by District and/or Customer Service operations.

RETAIL SQ FT - Square footage of the Postal facility occupied by Postal retail operations such as window services and post office boxes.

BMEU SQ FT - Square footage of the Postal facility occupied by the Bulk Mail Acceptance operations.

OIG / IS SQ FT - Square footage of the Postal facility occupied by the Office of Inspector General or Inspection Service.

CARRIER UNIT SQ FT - Square footage of the Postal facility occupied by Delivery unit.

OTHER NON MP SQ FT - Square footage of the Postal facility occupied by other non mail processing operations not listed above.

RESPONSE OF THE UNITED STATES POSTAL SERVICE WITNESS BRATTA  
TO PUBLIC REPRESENTATIVE INTERROGATORIES

**RESPONSE to PR/USPS-T5-5 (continued):**

BATHRM/CAFE/SW 10% OF TOTAL - Square footage of the Postal facility occupied by bathrooms, cafeteria's and swing rooms estimated to be 10% of the total Plant square footage.

TOTAL NON MP SQ FT - Square footage of the Postal facility occupied by all non mail processing operations

% OF PDC – The non mail processing area as a percentage of the total Plant area.

LDC 37 FTE – The authorized number of building maintenance positions based on the percentage of remaining non mail processing square footage.

\$ of LDC 37 For Remaining operations - The authorized number of building maintenance positions remaining multiplied by \$45.45 times 1760 (1 man-year).

LDC 38 FTE - The authorized number of building services (Custodial) positions based on the percentage of remaining non mail processing square footage.

\$ of LDC For Remaining operations - The authorized number of building maintenance positions remaining multiplied by \$40.38 times 1760 (1 man-year).

% of non personnel cost remaining – The percentage of area remaining as non mail processing operations multiplied by 2.

**Data Source:**

eMARS staffing module

USPS-LR-N2012-1/17 and 37

b-[c]. Not confirmed. The file reflects different major groups of non-mail processing operations that occupy P&DCs, and this information was used to determine the maintenance burden not attributable to mail processing operations. The file does not reflect different mail processing facilities.

[d-e]. For purposes of my testimony and the savings estimates provided in this docket, I used a 5 percent estimate of non-mail processing operations in closing facilities. Intentionally, I applied a conservative estimate of non-mail processing operations. The worksheet contains information for non-mail processing operations at individual facilities.

RESPONSE OF THE UNITED STATES POSTAL SERVICE WITNESS BRATTA  
TO PUBLIC REPRESENTATIVE INTERROGATORIES

**PR/USPS-T-5-6**

Please refer to USPS-LR-N2012-1/31. In the preface you state:

"eMARS\_WHEP\_Staffing Changes Final\_AM\_v5: This document contains the base and proposed staffing numbers for all eMARS Sites (Gaining, Study, and Other)."

- a. Please confirm that field 'Gaining\_Site\_Name' lists names of the sites that would gain staff as a result of network rationalization initiative. If not confirmed, please explain what sites are listed under this field.

\*\*\*

- c. Please provide the definition/descriptions of sites called 'study' and 'others'
- d. Please, list all sources of data provided in eMARS\_WHEP\_Staffing Changes Final\_AM\_v5

**RESPONSE:**

- a. Not confirmed. The field "Gaining\_Site\_Name" lists sites that would gain operations or volume, and gains in operations or volume does not necessarily equate to staffing gains.

\*\*\*

- c. Sites included in the "Study" category were on the original list to be studied for closure. Sites included in the "Others" category were not gaining sites or sites studied for closure, but they may have experienced modifications to their equipment sets.
- d. Please see the response to Presiding Officer's Information Request No. 1, Question 22.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRATTA  
TO PUBLIC REPRESENTATIVE INTERROGATORY  
REDIRECTED FROM WITNESS NERI

**PR/USPS-T-4-4**

In questions PR/USPS-T-4-1 (b) you were asked to provide "empirical evidence illustrating 'excess capacity' for the mail processing network", the supporting calculations and data. In your response to PR/USPS-T-4-1 (b) you refer to USPS-LR-N2012-1/44.

\*\*\*

- h. Would the decrease of idle time increase the costs for maintenance? Please provide the details if any analysis is available.

**RESPONSE:**

\*\*\*

h. Preventative maintenance, corrective maintenance, and operational maintenance increase as machines run for longer time periods. Please see USPS Library Reference USPS-LR-N2012-1/59 for more information regarding this increase. Maintenance staffing is based on equipment inventory as well as the run time for that equipment.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRATTA  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

- 12. Please explain how the prescribed number of annual workhours allocated to preventive, corrective, and operational maintenance will adjust as gaining facilities increase workload. Do the workhour reduction estimates provided to witness Smith include adjustments associated with increased workload for gaining facilities? Please explain.

**RESPONSE:**

Please see USPS Library References USPS-LR-N2012-1/28, 29, 30, 32, and 59.

The workhour reduction estimates provided to witness Smith account for changes in workload likely to result from the changes proposed in this docket.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRATTA  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

- 13.** Please explain how the Proposed Operating Plan provided in USPS-T-4 on page 22 will impact maintenance operations.
- a. The Proposed Operating Plan indicates that letters will be processed from 8:00 a.m. until 4:00 a.m. Will there be sufficient time to conduct routine maintenance?
  - b. Is it likely that machines will require increased maintenance as a result of the increase in machine utilization? Please explain.
  - c. Please explain how your workpapers adjust for shortened maintenance windows.

**RESPONSE:**

Maintenance staffing estimates have been adjusted to support the proposed operating plan, as reflected in USPS Library Reference USPS-LR-N2012-1-31.

- a. Yes. Typically, maintenance windows are 4 hours or less.
- b. Yes. The increased maintenance is consistent with the guidelines described in USPS Library References USPS-LR-N2012-1/28, 29, 30, 32, and 59.
- c. Maintenance windows exceed the amount of time required to perform maintenance. The proposed staffing levels contained in USPS Library Reference USPS-LR-N2012-1/31 account for the shortened maintenance windows, and their effect on preventive, corrective, and operational maintenance.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRATTA  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

- 14. Please provide the average daily workhours allocated to preventive, corrective, and operation maintenance by machine. In addition, please explain how average daily workhours allocated to preventive, corrective, and operation maintenance by machine are likely to change as a result of the Network Rationalization Plan.

**RESPONSE:**

Please see the file "WHEP Staffing MMO\_074\_00.pdf" included in USPS Library Reference USPS-LR-N2012-1/32, and the file "Gaining\_Other Site Staffing Criteria" included in USPS Library Reference USPS-LR-N2012-1/31.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRATTA  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

- 15. Please provide an estimate of the savings resulting from transitioning from calendar-based maintenance to condition-based maintenance. See USPS-T-5 at 4. In addition, please explain if the transition from calendar-based maintenance to condition-based maintenance is a result of the Mail Processing Network Rationalization Service Changes.

**RESPONSE:**

My testimony makes no statement regarding savings resulting from a transition from calendar-based maintenance to condition-based maintenance. The transition has already occurred, and is not a result of the changes proposed in this docket.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRATTA  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

16. Please provide the source for determining that sites are "New Network Authorized" in USPS-LR-N2012-1/33, Excel file eMARS\_WHEP\_Staffing Changes Final\_AM\_v5.xlsx.

**RESPONSE:**

It appears that this interrogatory concerns the file "eMARS\_WHEP\_Staffing Changes Final\_AM\_v5 REVISED.xls," which is included in USPS Library Reference USPS-LR-N2012-1/31. The identification of the "New Network Authorized" sites was made in accordance with the guidelines described in USPS Library References USPS-LR-N2012-1/31, 32, and 59.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRATTA  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

17. Please refer to USPS-LR-N2012-1/31, Excel file "FY11\_Parts\_Network Consolidation Analysis." Please provide a rationale and/or supporting calculations for the assumption that "Estimated % Mail Processing Equipment Removals as % of Total Fleet" equals 40 percent.

**RESPONSE:**

The file referenced in this interrogatory appears in USPS Library Reference

USPS-LR-N2012-1/33. Please see the response to PR/USPS-T5-4(a).

1 CHAIRMAN GOLDWAY: Is there any additional  
2 written cross-examination for Witness Bratta?

3 (No response.)

4 CHAIRMAN GOLDWAY: If not, then everything  
5 is in order and, counsel, would you please -- I guess  
6 that's it. Counsel is all set, so now that brings us  
7 to oral cross-examination.

8 We have one participant who has requested  
9 oral cross-examination. That is the American Postal  
10 Workers Union, AFL-CIO, Ms. Wood. Is there anyone  
11 else wishing to cross-examine this witness?

12 MS. KELLER: Madam Chair, this is Kathleen  
13 Keller for the National Postal Mail Handlers Union.  
14 We may have a couple of follow-up questions after Ms.  
15 Wood finishes her examination, if it would please the  
16 Chair.

17 CHAIRMAN GOLDWAY: Thank you. Then we will  
18 begin with the APWU counsel.

19 MR. LAVER: I'm sorry. Madam Chair, Chris  
20 Laver for the Public Representative. My analyst  
21 indicates this is a procedural matter that Library  
22 References 44 and 59 may have been submitted in  
23 response to some interrogatories that were designated.

24 MR. MECONE: I think that's true. As my  
25 co-counsel, Mr. Hollies, explained yesterday, those

1 library references are Category 4 library references,  
2 and I believe they'll be in the record if they were  
3 designated.

4 MR. LAVER: Thank you. I just wanted to  
5 make sure that those were in the record. Thank you,  
6 counsel.

7 CHAIRMAN GOLDWAY: That's fine to clarify  
8 that. And we'll begin then with cross-examination  
9 from APWU.

10 MS. WOOD: Thank you, Madam Chairman.

11 CROSS-EXAMINATION

12 BY MS. WOOD:

13 Q Good morning, Mr. Bratta.. My name is  
14 Jennifer Wood, and I represent the American Postal  
15 Workers Union.

16 A Good morning.

17 Q I appreciate your time here today, and  
18 hopefully I won't take up too much of it. I'd like to  
19 begin on page 2 of your testimony where you discuss  
20 the increase in maintenance efficiency. Could you  
21 please define efficiency as it's used in your  
22 testimony?

23 A Efficiencies refer to the amount of work and  
24 preserving of the equipment that's performed based on  
25 the amount of work hours that is expended.

1           Q     And throughout your testimony you discuss  
2     the savings that can be achieved through this network  
3     rationalization, but you assume that all of the  
4     facilities are closed or leased. Is that correct?

5           A     My assumptions for the savings are based on  
6     two things. One is primarily the reduction in mail  
7     processing equipment, and secondly is the reduction in  
8     facilities or square footage, and/or square footage.

9           Q     Right. But you have assumed that there is a  
10    complete reduction, that all of the facilities that  
11    have been studied for closure would in fact be closed  
12    or leased and would no longer be a financial  
13    responsibility of the Postal Service.

14          A     I believe that my Library Reference 31  
15    indicates the assumptions that I made with reference  
16    to each facility.

17          Q     Could you direct me to where specifically in  
18    Library Reference 31 those assumptions are?

19          A     Library Reference 31 is a spreadsheet, and  
20    that spreadsheet shows each facility and it shows the  
21    post network rationalization and the savings that can  
22    be associated with it.

23          Q     Do you have a timeline of when those savings  
24    would be achieved?

25          A     No. That's directed out of the Operations

1 Group.

2 Q Okay. Now I'd like to discuss some of the  
3 costs that may continue until the facilities are sold  
4 or leased. First I'd like to discuss the building  
5 maintenance. What, if any, building maintenance is  
6 maintained when a facility is no longer being used as  
7 a processing facility, but has not yet been sold or  
8 leased?

9 A According to the Administrative Support  
10 Manual, a facility that is reclassified from  
11 maintenance capable to nonmaintenance capable. That  
12 facility as a nonmaintenance capable facility will  
13 fall under the guidelines of the MS-45, Maintenance  
14 Series Manual 45, and Maintenance Series Manual 110.  
15 Those facilities would now be covered through the  
16 field maintenance operations.

17 Q Okay. I understand that. However, I've  
18 asked what costs would you still incur? What building  
19 maintenance would still be required?

20 A The cost would depend on what was left on  
21 the facility and what issues would still need to go  
22 on.

23 So, for example, if we were talking about a  
24 facility in the northeast during the winter months,  
25 okay, there would be some cost associated with freeze

1 prevention, preservation of the facility due to  
2 weather conditions. If we were talking about a  
3 facility in the south in the summertime and it was  
4 unoccupied, then the cost would be minimal.

5 Q Right. But there would still be costs?

6 A Insignificant.

7 Q But assuming that the buildings aren't sold,  
8 you would still have to keep up plumbing, heating,  
9 ventilation, air conditioning?

10 A In my expert opinion, I do not agree. If  
11 the building is unoccupied then you put the building  
12 in a dormant stage and it stays that way.

13 . . . Again, if we were talking about a facility  
14 in the summer in the south where we weren't concerned  
15 about freezing then we would need to do nothing. If  
16 we were talking about a facility that was in the  
17 northeast and we were concerned about weather  
18 conditions then we could winterize the facility and  
19 put it in a dormant state. So the cost to maintain a  
20 facility that's unoccupied is minimal.

21 Q Can you quantify minimal? I mean, it's not  
22 zero, right? I mean, your testimony is assuming that  
23 those costs are zero.

24 A Well, if we want to use an example, a  
25 hypothetical, a facility that could be potentially

1 350,000 square feet might require 10 BEM people, okay?  
2 If we were to put that facility in a dormant state  
3 then those 10 people would no longer be required.

4 So the full-time equivalent of 10 employees  
5 would no longer be required. We might need to have  
6 some outside security light on, and if you compare the  
7 two the percentage is insignificant. It's very minor.

8 Q In your hypothetical, where would those 10  
9 did you say BEM employees? Where would they go?

10 A I'm not a labor expert and I can't speak  
11 with precision on that, but the Postal Service has  
12 excessing processes, and those people would be  
13 relocated per those excessing processes.

14 CHAIRMAN GOLDWAY: What about external  
15 maintenance of the facility, if there's garbage or  
16 rain damage or snow removal? Is any of that required,  
17 or do you just leave the place to deteriorate?

18 THE WITNESS: If the facility is dormant and  
19 we winterize the facility then we're not going to  
20 generate any garbage, and snow removal within the  
21 confines of the facility, unless it exceeded a roof  
22 load, would not need to be addressed if the building  
23 was going to be dormant and winterized.

24 So most of the cost, if not a preponderance  
25 of the cost, would go away during that period when the

1 facility is --

2 CHAIRMAN GOLDWAY: Would you have plans for  
3 if debris is blown into the parking lot or anything  
4 like that? You wouldn't have plans to clean that up?

5 THE WITNESS: That would depend on the  
6 specific instance, and again those costs would be  
7 minimal or insignificant as compare to the amount that  
8 it would cost to operate the facility while it's being  
9 occupied.

10 MS. WOOD: Thank you, Madam Chairman. You  
11 have definitely addressed one of my questions.

12 BY MS. WOOD:

13 Q I'd like to keep going through with these  
14 costs because you've broken it down quite a lot, and I  
15 just want to make sure that I understand what costs  
16 might still be incurred until the facility is no  
17 longer the responsibility of the Postal Service.

18 So building services, which I think actually  
19 might be what Madam Chairman was talking about, but  
20 what sort of building services would have to be  
21 maintained until the building was sold or leased?

22 A It would again depend on the specific  
23 location of the facility, but the preponderance of the  
24 cost in building services would be the custodial  
25 function. In a facility, using my example, of 350,000

1 square feet that would require approximately 30 plus  
2 custodians, which would no longer be required if the  
3 building was dormant.

4 Q Okay. And what about service contracts?  
5 Are any of those maintained?

6 A A minor portion of them would be maintained  
7 during that period.

8 Q Can you quantify a minor portion?

9 A Well, you'd have to provide me with some  
10 specifics at a facility. I mean, if we took a  
11 facility and we had a significant roof load, snow load  
12 on the roof, then we may need to have that cleaned  
13 during some heavy snow periods. In this winter we  
14 haven't had that issue. Last year we would have had  
15 that issue.

16 Q But now those sorts of issues are not taken  
17 into account in your calculations, correct?

18 A Correct.

19 Q Okay. And permits that would be required.  
20 Would the Postal Service have to maintain permits  
21 until the facility has been sold or leased?

22 A It would depend on the permitting.

23 Q Okay. You discussed that each mail  
24 processing facility is required to purchase permits,  
25 so sewer --

1           A     Can you direct me to that?

2           Q     I'm sorry. This is on page 11. It's the  
3 very last sentence on page 11 of your testimony, and  
4 it continues on to page 12. You talk about sanitary  
5 sewer permits, store water permits and pay appropriate  
6 local fees.

7                     Now, those permit requirements and the costs  
8 associated with them don't go away the moment the  
9 Postal Service stops using the building as a  
10 processing facility. Is that correct?

11          A     No. It would depend on the permit itself.  
12 So some permits may go away immediately.

13          Q     Could you give me an example?

14          A     Of a permit that would go away or a permit  
15 that would not go away?

16          Q     I would actually like both, but you can  
17 start with the one that would go away.

18          A     Well, it would depend on the locality, but  
19 in one particular case a locality that was charging a  
20 sewer permit fee to be hooked up to the sanitary  
21 system may not go away, but if they charged based on  
22 the occupancy at a facility then that portion of it  
23 would go away.

24          Q     Okay. But would you still have to pay local  
25 fees for the facility? You don't specify in your

1 testimony what those are, so if you would like to  
2 describe what an example of local fees are that would  
3 be good.

4 A The local fees vary from municipality to  
5 municipality.

6 Q But those would still --

7 A Some may go away and some may not. It  
8 depends on the specifics.

9 Q Correct. And you have not quantified that  
10 in your testimony or in --

11 A Yes. I have not either way. Either way. I  
12 have not taken any savings for that, nor have I taken  
13 any cost for it.

14 Q And so when the Postal Service is trying to  
15 sell a facility are inspections and repairs still  
16 required or, as Chairman Goldway was talking about,  
17 would you just let the building fall apart and hope to  
18 get whatever you can for the building?

19 A Let me first say that I'm not a facilities  
20 expert, and we have a different group that handles the  
21 facilities end of it, okay? Our maintenance  
22 responsibility is to preserve the asset so, yes, we  
23 would preserve the asset.

24 Q Okay.

25 A First and foremost, we would take care of

1 winterizing and doing those things necessary to  
2 preserve the asset, not just let it fall apart.

3 Q Okay. Thank you. Could you now turn to  
4 page 14 of your testimony? I just want to talk  
5 briefly about the mail processing equipment support.

6 On lines 5 and 6 you state that under  
7 network rationalization the total number of units  
8 could be as low as 5,000 units. I understand that you  
9 were estimating because you didn't know at the time  
10 how many facilities were ultimately going to be -- the  
11 AMP process had not been complete. It has now been  
12 completed. Do you have a sense of what that number  
13 would be now? Is it going to go down to 5,000 units?

14 A I can't speak with precision on that. Ever  
15 since February 23, we are relooking at those numbers  
16 and establishing a new baseline for mail processing  
17 equipment based on the information provided in the  
18 post AMP studies.

19 Q Do you intend to update the record with that  
20 information?

21 A Yes, we do.

22 Q And do you have an idea of when that update  
23 might occur?

24 A At this point I do not.

25 Q Okay. Well, I don't need a precise answer.

1 I just would like to know if you can state do you  
2 believe that it could still get down to as low as  
3 5,000 units? I feel like it's certainly going to be  
4 higher. Would you agree with that?

5 A No, I don't because I think that my  
6 definition of equipment might be different than yours.

7 Q I mean, I'm reading from your testimony so  
8 perhaps you should tell me what your definition of the  
9 mail processing equipment that is in excess of 10,000  
10 units, what you're referring to, and then we can go  
11 from there.

12 A Well, I include all major platforms such as  
13 DBCSSs, delivery barcode sorters, advanced facer  
14 canceling machines and all of the major mail  
15 processing equipment platforms.

16 I also include all of those pieces of  
17 equipment that we use as an inventory to develop  
18 maintenance staffing such as low-cost tray sorters,  
19 loose mail systems.

20 Q All right. I think then we're talking about  
21 the same thing, so let me see how I can think of the  
22 best way to ask this question.

23 Well, I think we asked this in an  
24 interrogatory, and unfortunately I'm not sure that the  
25 answer was what we were looking for. We had asked,

1 and let me see if I can find it to direct your  
2 attention. Essentially the question was what would be  
3 required out of this network rationalization to get  
4 down to as low as 5,000 units.

5 A Can you direct me to that?

6 Q Actually it's APWU-T5-2, and Subpart A asks  
7 what circumstances are required to get the total  
8 number to 5,000. So do you have an understanding of  
9 how many facilities would have to be closed to get  
10 down to that number, or does it not depend on that?

11 A My response was that the total number of  
12 units will diminish as the Postal Service experiences  
13 an increase in productivity and usage for individual  
14 machines.

15 Q Right. So it doesn't have anything to do  
16 with the facilities that are closing?

17 A Machines are allocated based on mail volume  
18 and based on productivity, not based on facilities.

19 Q Okay. And so you had said that you were  
20 going to update your number, so I guess my next  
21 question has probably already been answered, but your  
22 response to B and C was that the actual number of  
23 units depends on the results of the AMP studies. Will  
24 you be updating this response?

25 A Yes. That was my previous answer, that we

1 would be updating that response.

2 Q All right. Now turning to the equipment in  
3 particular, does equipment that is not in use, but  
4 being stored, require any maintenance?

5 A You have to give me some more specifics. I  
6 mean, it could vary. I mean, we have an inkjet  
7 printer that is not in use, but we have it in our  
8 stockroom and it's considered a hard printer because  
9 it needs to be plugged in and needs access to air so  
10 that the ink does not coagulate inside the printhead  
11 and cause the printer to malfunction should we need  
12 it.

13 . That is a piece of equipment that we keep as  
14 a spare so that during operations if it were to break  
15 down we have an opportunity to replace it.

16 Q What about the larger pieces of mail  
17 processing equipment that I assume would be removed  
18 from some of these facilities as a result of network  
19 rationalization and then would have to go somewhere to  
20 be stored? Wouldn't it --

21 A Could you give me an example of large?

22 Q DBCS or -- I am not an expert --

23 A Okay.

24 Q -- on all the machinery titles and the  
25 acronyms, so you'll have to bear with.

1           A     So we have six phases of DBCS. Are we  
2 talking about DBCS Phase 1?

3           Q     You can talk about that.

4           A     Okay.

5           Q     Would that still require maintenance?

6           A     We would not store that machine. We would  
7 either sell it or scrap it or salvage it.

8           Q     How long would it typically take to sell  
9 that machine?

10          A     I'm not a supply management expert so I  
11 can't answer that with precision.

12          Q     Would maintenance still be required until  
13 the machine was sold or the parts scrapped?

14          A     No.

15          Q     No maintenance whatsoever?

16          A     No.

17          Q     Okay. What about the other phases, 2  
18 through 6?

19          A     Phase 2 we plan to eliminate from the  
20 network because of their excess capacity. Phases 3 to  
21 6 we plan to utilize throughout the network.

22          Q     Where does 2 go when you eliminate it? I  
23 mean, what does it mean to eliminate it from the  
24 network?

25          A     Well, it would be excess to our needs, and I

1 believe that in my response I've provided that --

2 Q What response are you referring to?

3 A I'd have to go back and look at it, but when  
4 we have excess equipment we either sell it, salvage  
5 it, dispose of it.

6 Q I understand, but until that has been taken,  
7 and say the Phase 2 piece of equipment, you know that  
8 you're going to sell it. Is there anything that must  
9 be kept up on that machine in order to sell it?

10 A The only thing that we would need to do in  
11 that piece of equipment would be to make the printers  
12 dormant.

13 CHAIRMAN GOLDWAY: Where would you store the  
14 equipment until it was sold or dismantled or reused?

15 THE WITNESS: We would not be looking to  
16 store that equipment any place else. We would remove  
17 it from its current location, the Phase 1s and Phase  
18 2s, and dispose of them appropriately.

19 CHAIRMAN GOLDWAY: So while you're holding  
20 onto the buildings you're disposing of the equipment?

21 THE WITNESS: And that --

22 CHAIRMAN GOLDWAY: So what happens if you  
23 have to sell a building and move the equipment from  
24 it?

25 THE WITNESS: That equipment is a one day

1 move inside of a building or to another facility.  
2 DBCSS, which is the predominant amount of our fleet,  
3 is not time consuming and it's easily disposed of. We  
4 have disposed of them in the past. Depending on the  
5 equipment, the salvageability, it happens rather  
6 quickly.

7 BY MS. WOOD:

8 Q What is the cost for dismantling and  
9 removing equipment for disposal or salvaging?

10 A It would depend on how far, and we have to  
11 take the equipment apart. A lot of times that  
12 equipment will bring revenue to the Postal Service  
13 because it could be either sold or salvaged.

14 Q Right. But I'm asking in order to be able  
15 to do that, what costs are incurred for the disposal  
16 of it, the storage of it, breaking it down for spare  
17 parts? There's a cost there, correct?

18 A There's a small cost, and typically, I mean,  
19 we could take a DBCS and relocate it, okay, to another  
20 facility in a day with three or four people.

21 Q But then there's the transportation costs  
22 and --

23 A If we were going to transport it to another  
24 facility, correct.

25 Q Right.

1           A     If we were going to sell it, we would sell  
2     it, depending on what Supply Management was able to  
3     contract with.  If we were going to dispose of it,  
4     most disposal and recycling places provide you with  
5     containers at your facility.

6           Q     What if you were just going to dismantle it  
7     to move it?  What costs would be incurred there?

8           A     I mean, we look at moving a DBCS, and the  
9     average time to move a DBCS is one day within a  
10    facility and depending on the transit time to go to  
11    another facility and three to four people.

12          Q     Okay.  Now, I do believe you may have  
13    already answered this, but I just want it for clarity  
14    of the record.

15                 On page 15 of your testimony you talk about  
16    a reduction in the national MOS workforce.  Now that  
17    the AMPs have been complete, will you be updating and  
18    providing us a more definitive number?  You talk about  
19    slightly less than 50 percent of the national MOS  
20    workforce could be eliminated.  Will you be able to  
21    quantify that now with more specificity?

22                 MR. MECONE:  Objection.  Calls for a legal  
23    conclusion.  The decision about whether to update  
24    anything submitted in this matter is a legal decision.

25                 MS. WOOD:  May I respond, Madam Chairman?

1 CHAIRMAN GOLDWAY: Yes, you may.

2 MS. WOOD: With all due respect, I mean, the  
3 witness has already stated that he intends to update,  
4 and I'm trying to get clarification of exactly what  
5 information he's going to be updating.

6 His testimony is filled with approximations,  
7 and I understand because he didn't know and wasn't  
8 able to make any definitive numbers, and now that  
9 information is there and I'm just wondering if he has  
10 an intent.

11 MR. MECONE: We will clarifying the  
12 misunderstanding on redirect.

13 MS. WOOD: Does the question still stand  
14 then?

15 CHAIRMAN GOLDWAY: I think the Commission is  
16 also interested in having updated information based on  
17 the complete set of AMPs, so we will be asking that  
18 question as well before redirect, so I think you'd  
19 better think about it a little.

20 BY MS. WOOD:

21 Q Well, then just to get it all out there, the  
22 last one that I was going to ask about being updated  
23 was how many manager of maintenance positions would be  
24 eliminated? Do you know what that would be now that  
25 all the AMPs have been completed?

1           A     The Labor Distribution Code 35? Is that  
2     what you're referring to?

3           Q     Well, I might be referring to that, but I am  
4     actually referring to page 16 of your testimony where  
5     you discuss it was just one example you included in  
6     your testimony that the manager of maintenance  
7     positions would be eliminated at each of the closed  
8     facilities. So do you have a sense now? I mean, do  
9     you know now how many of those positions would be  
10    eliminated?

11          A     I do not.

12          Q     Is it something that you are able to know,  
13    or is there another witness who we could ask that of?

14          A     I think that we're still working through the  
15    revisions of February 23.

16          Q     Now, at the risk of another objection, is  
17    this the sort of information that you intend to update  
18    once you've worked through all of the AMPs?

19                MR. MECONE: Objection. Calls for a legal  
20    conclusion. I think the misunderstanding relates to  
21    the difference between updating for internal purposes  
22    and filing something with the Commission.

23                CHAIRMAN GOLDWAY: The witness already said  
24    with a nod of approval from counsel earlier on in this  
25    testimony that he would update material based on the

1 full set of AMPs. That's certainly my understanding.  
2 And now that you do have the full set of AMPs I think  
3 there are many people who are interested in getting  
4 that information.

5 It's not a legal question as to whether you  
6 should or not since it was already acknowledged that  
7 it would be done. We may need a timetable, which  
8 we're willing to get further information on.

9 MR. MECONE: It's my understanding that the  
10 decision whether to update something as part of a  
11 legal case like this is here is not Witness Bratta's  
12 decision. It would be a decision for the Postal  
13 Service as an institution.

14 I would point back to the interrogatory APWU  
15 I think it was T5-2 I believe, which also referred to  
16 implementation, as well as the results of the AMP  
17 studies.

18 MS. WOOD: Could you clarify what you mean?

19 CHAIRMAN GOLDWAY: I don't understand the  
20 reference that you're making there. You're pretty  
21 abbreviated in what you're saying, Mr. Mecone.

22 MR. MECONE: As I read that, I think when he  
23 talks about updates he's referring to internal updates  
24 used for implementation.

25 If you choose to read it a different way,

1 you would still need to wait for implementation for  
2 any updates to occur based on the response to  
3 APWU-T5-2.

4 CHAIRMAN GOLDWAY: I think perhaps we can  
5 just direct the witness to update his figures based on  
6 the information that was announced on February 23. He  
7 has that capability to do it. He said he would be  
8 able to do it. It's appropriate information to have,  
9 and I simply want to ask how long it will take for  
10 that to be done.

11 MR. MECONE: Yes. I don't think Witness  
12 Bratta is prepared to answer that. I don't think he  
13 has all the information that he would need to have to  
14 give an estimate of time. There are a lot of  
15 different things that go into any update that he would  
16 make. And, counsel, right now I do not have enough  
17 information to make that estimate.

18 CHAIRMAN GOLDWAY: Well, I will ask this  
19 question again, and I expect you to have an answer for  
20 me before the end of the day as to how long it will  
21 take to update the information.

22 MS. WOOD: Thank you.

23 BY MS. WOOD:

24 Q All right. So then moving on, could you  
25 turn to APWU/USPS-T5-3? In response to Subparts B and

1 C you state "Not applicable." Could you explain?  
2 Could you explain how those questions are not  
3 applicable?

4 A I'm sorry. Can you repeat that?

5 Q APWU/USPS-T5-3. In B we asked you -- well,  
6 we ask for you to refer to the testimony on page 15,  
7 lines 3 through 10, and for the facilities that remain  
8 open after network rationalization will there be any  
9 increased need for MOS staff.

10 A I'm sorry. I'm at T5-3.

11 Q APWU?

12 A Oh, I'm sorry.

13 Q That's why I have tabs.

14 A All right. Okay. Go ahead. I'm sorry.

15 Q So the question is referring to a statement  
16 on page 15. And not to make you have to flip around,  
17 but on page 15 of your testimony you state, "The  
18 elimination of the maintenance management and skilled  
19 craft positions would result in total elimination of  
20 the MOS workforce at closed facilities."

21 Now, we ask for the facilities that remain  
22 open will there be an increased need for MOS staff,  
23 and then we asked how this would affect the total  
24 projected savings, and you say that that is not  
25 applicable. I'm wondering if you could explain how

1 that isn't applicable. I mean, why did you say not  
2 applicable in your answer?

3 Your response to Subpart A doesn't lead to  
4 this being not applicable or a nonrelevant answer. Do  
5 you think that it has no bearing on what the total  
6 savings are going to be?

7 A In response to Question A, the staffing for  
8 MOS clerks is predicated on the total number of  
9 maintenance employees within a facility, and that is  
10 accounted for in my full-time equivalent spreadsheet  
11 in Library Reference 31.

12 Q Okay.

13 A So if you have a --

14 Q So let's just -- sorry. That's fine. So  
15 let's just assume that there is a need, an increased  
16 need for MOS staffing. I mean, this will affect what  
17 the total projected savings will be?

18 A My Library Reference 31 --

19 Q I'm just asking you to let's just assume,  
20 and we'll see if the record bears it out, but let's  
21 just assume that there is a need or an increased need  
22 for MOS staff. Would that then reduce the total  
23 savings projected that you have projected?

24 A I'm not quite sure that I understand the  
25 question. You're asking me to make an assumption and

1 I'm not --

2 Q That you would need more staff as a result.

3 CHAIRMAN GOLDWAY: In the existing  
4 facilities you have more equipment running more hours  
5 of the day. There's an intuitive understanding that  
6 that would require additional maintenance because you  
7 have more equipment running more often. So in your  
8 calculations have you assumed that there will be  
9 additional staff --

10 THE WITNESS: Yes.

11 CHAIRMAN GOLDWAY: -- and additional  
12 maintenance in the remaining facilities that will be  
13 open?

14 THE WITNESS: Yes, ma'am.

15 CHAIRMAN GOLDWAY: That is in Library  
16 Reference 31?

17 THE WITNESS: Yes, ma'am.

18 CHAIRMAN GOLDWAY: So the additional numbers  
19 are there?

20 THE WITNESS: Yes, ma'am.

21 CHAIRMAN GOLDWAY: And in the calculation  
22 you've made about total savings you've included that  
23 additional labor?

24 THE WITNESS: Yes, ma'am. Absolutely.

25 MS. WOOD: Thank you, Madam Chairman, for

1 that clarification.

2 BY MS. WOOD:

3 Q Do you recall then what percentage you  
4 assumed would be the increase in your calculations in  
5 LR-31?

6 A I didn't make any assumptions. Each of the  
7 facilities was predicated on a basis of the equipment  
8 set that was planned for that facility.

9 We took the maximum run time and used the  
10 appropriate staffing criteria for that equipment to  
11 generate the number of people within that facility,  
12 and the MOS clerks is a function of the total  
13 maintenance people that are within a facility.

14 CHAIRMAN GOLDWAY: And now that the AMP  
15 process is complete, will the number of facilities and  
16 the equipment in them change somewhat based on your  
17 initial library reference?

18 THE WITNESS: I believe that the equipment  
19 will change per location. I am not certain and I  
20 can't speak with precision that the total number of  
21 pieces of equipment will change.

22 I'm not the person who generates the  
23 requirement for the equipment. My field of expertise  
24 is to generate the maintenance burden based on that  
25 equipment.

1           CHAIRMAN GOLDWAY: So some of the additional  
2 update we need is on the actual amount of equipment  
3 that's going to be used based on the completed AMP  
4 studies as well, not just your update, but other  
5 witnesses' updates, is what it sound like you're  
6 saying, correct?

7           THE WITNESS: What I'm saying is that I  
8 provide the maintenance related work based on the  
9 equipment set, based on the inventory, based on its  
10 usage, based on the amount of facilities.

11           CHAIRMAN GOLDWAY: Okay. But the number you  
12 were given may not be the same as what it is now based  
13 on the February 23 announcement. You just don't know  
14 that, and you are not the person who would know that.

15           THE WITNESS: Correct.

16           CHAIRMAN GOLDWAY: Who is?

17           THE WITNESS: I would think that that would  
18 have to come from somewhere in Network Operations.

19           CHAIRMAN GOLDWAY: Thank you.

20           BY MS. WOOD:

21           Q     I guess just one last line of questioning.  
22 On page 7 of your testimony you refer to the  
23 Electronic Maintenance Activity Reporting Scheduling  
24 system or EMARS. Could you explain to me a little bit  
25 about what is included in EMARS?

1           A     EMARS is a maintenance management system  
2           that has several modules. It allows us to provide  
3           historical information on equipment, parts usage, work  
4           charged to that equipment, employee scheduling and  
5           time, condition-based maintenance.

6                     It also provides for total staffing both on  
7           the building side, the custodial side and the mail  
8           processing side, which is a module called WHEP, Work  
9           Hour Order Estimating Program.

10          Q     Thank you for that. Is EMARS a national  
11          database?

12          A     It is.

13          Q     And so at headquarters you would have access  
14          to it?

15          A     I do.

16          Q     And there's a list of equipment I think that  
17          you just mentioned that's in EMARS. It talks about  
18          the historical information on equipment, the  
19          maintenance requirements. Is the location of those  
20          machines included in EMARS?

21          A     Yes.

22          Q     And if a facility is closed is the equipment  
23          removed that was at that facility? Is it completely  
24          erased from the EMARS system or is it updated to  
25          indicate where that equipment had been moved to?

1           A     It depends on the route of travel and how  
2     the gaining site and losing site set it up in EMARS.

3           Q     Right. Well, I'm just asking. I mean, it  
4     doesn't disappear from EMARS. Like, would you update  
5     it to say if Facility X is closed and there was Piece  
6     Y equipment and it has been moved, would that be noted  
7     in EMARS so that you could --

8           A     It may or may not be.

9           Q     What is the circumstance that it would not  
10    be updated?

11          A     The individual site has not made the  
12    appropriate inputs to change that.

13          Q     But is that a choice? I mean, are they  
14    allowed to just decide not to input it?

15          A     That is a user input field, and if the site  
16    closes and they do not make those notations then the  
17    information stays exactly where it is.

18                I mean, there's several ways that you could  
19    code a piece of equipment. If you take a piece of  
20    equipment out of service you can make it inactive and  
21    retain historical data. If the site closes it could  
22    be transferred. So that would really depend on what  
23    was done at the user end.

24          Q     Right. So at the user end, though, are the  
25    people that are supposed to be entering this

1 information in EMARS, is it discretionary or is there  
2 a requirement? Whether they actually follow it or  
3 not, is there a requirement to update the system?

4 A We have certain guidelines, and people  
5 follow the guidelines. There are other people that  
6 may not follow the guidelines.

7 Q And is there anyone responsible for going  
8 back? Once you know that a facility has closed is  
9 there any sort of check done on the listings in EMARS  
10 to make sure that the information has been updated, or  
11 do you just assume that it has and if it hasn't then  
12 you're okay with not having that information?

13 A The historical records is primarily used at  
14 the end user at the site, so the site would be the  
15 ones that would review that.

16 At the headquarters level my responsibility  
17 and my team's responsibility is predicated around the  
18 functionality of the system as opposed to, my words,  
19 the EMARS police.

20 Q Okay. I understand that. But then what's  
21 the purpose of having this national database that  
22 lists the equipment?

23 A What it does is it maintains that equipment.  
24 It helps to preserve our assets and utilize for  
25 various functions, including staffing, preventative

1 maintenance, cost of parts.

2 MS. WOOD: Okay. I do believe that's all of  
3 my questions for you. Thank you very much for your  
4 candor.

5 Madam Chairman, I actually have a procedural  
6 issue now. The APWU filed a motion to compel a more  
7 responsive answer to APWU/USPS-T5-6B, which asked for  
8 the whereabouts or what happened to the equipment in  
9 facilities of the P&DCs that had been closed since  
10 2008.

11 The Postal Service initially just gave us  
12 the options available to them when these facilities  
13 closed. They eventually supplemented the answer and  
14 let us know what happened to the facilities. However,  
15 they filed an answer in opposition to our motion that  
16 indicated that there was no national database that  
17 contained the information about equipment.

18 I'm not sure what the best procedural step  
19 is. This is new information to me, and we haven't had  
20 the opportunity then to reply to that answer, so I  
21 would either request that that be allowed or that you  
22 take the testimony that was just given into  
23 consideration on your ruling on our motion.

24 MR. MECONE: James Mecone for the Postal  
25 Service. I just want to clarify counsel's

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1 representation of our answer in opposition.

2 We also contended that there was a relevance  
3 -- we opposed on relevance grounds as well. I believe  
4 the APWU, in supporting their motion, they stated that  
5 they wanted the information to do some sort of cost  
6 analysis, and we pointed out that the information they  
7 requested would not respond to that justification for  
8 costs.

9 MS. WOOD: Madam Chairman, may I respond?

10 CHAIRMAN GOLDWAY: I really think we're  
11 better off doing this in writing.

12 MS. WOOD: Okay.

13 CHAIRMAN GOLDWAY: I would advise the APWU  
14 to file with us the response you have now based on  
15 some information you've gotten from this witness and  
16 we'll see what the Postal Service says to that and  
17 we'll --

18 MS. WOOD: Okay. Thank you, Madam Chairman.

19 CHAIRMAN GOLDWAY: -- make a decision based  
20 on that.

21 And now would the Mail Handlers like to ask  
22 some questions?

23 MS. KELLER: Thank you, Madam Chair.

24 Kathleen Keller for the National Postal Mail Handlers  
25 Union.

## 1 CROSS-EXAMINATION

2 BY MS. KELLER:

3 Q Mr. Bratta, good morning.

4 A Good morning.

5 Q When we started this morning you entered a  
6 correction to page 17 of your testimony in which you  
7 changed the first line of that page from, "Overall,  
8 the FMO operation would see a reduced workload as a  
9 result of the network rationalization plan." You  
10 changed "reduced" to a "change in", so it would read,  
11 "Overall, the FMO operation would see a change in  
12 workload as a result of the network rationalization  
13 plan."

14 Do I understand that correction properly  
15 that this means that there could be an overall  
16 increase in workload?

17 A Yes, ma'am. As a matter of fact, if you  
18 read down to lines 3 to 5 I actually state that in  
19 there.

20 Q Okay. Thank you. I'd like to stay on page  
21 17 of your testimony. You say that for purposes of  
22 your testimony you assume that nonpersonnel  
23 maintenance costs do not increase at the gaining sites  
24 and are completely eliminated at the closing sites.  
25 And that nonpersonnel maintenance cost would include

1 electricity, utilities costs, correct?

2 A Yes, ma'am.

3 Q Okay. Do you have any figures or formula  
4 for calculating the increased costs of air  
5 conditioning when you substantially increase the  
6 number of warm bodies working in a building?

7 A Well, the first thing is that when you look  
8 at the total cost, and if you note my Footnote No. 2  
9 at the bottom, it says that in the closing facilities  
10 I took 5 percent of the costs that are associated with  
11 operations are not part of the overall savings, so I  
12 only took 95 percent.

13 I have eliminated 5 percent, and that was  
14 based on some sampling of what operations were not  
15 part of mail processing operations that were within a  
16 facility.

17 Q Okay. And that's at the closing facilities.

18 A That's correct.

19 Q I'm talking about now the gaining  
20 facilities. So for the gaining facilities do you have  
21 figures or a formula for calculating how to estimate  
22 the increased utilities costs when you are doubling,  
23 for instance, the number of people working in a  
24 building?

25 A When you consider the total utility cost

1 into itself, okay, and I will use an example as  
2 Columbus, okay?

3 Columbus, Ohio, being a gaining site, is not  
4 going to increase in size or square footage. Their  
5 parking lot is not going to increase, and therefore  
6 they're not going to get any additional snowfall  
7 because they've taken in the mail and possibly some  
8 equipment from Dayton.

9 Q Okay. Well, let's take a different example.  
10 Let's take Baton Rouge where it's a little warmer I  
11 think than Columbus. The facility size is not going  
12 to change. You've got the same size building, the  
13 same size square footage, and you're going to double  
14 the number of people. We could pull the numbers if we  
15 need to, but let's just say for purposes of this  
16 conversation you're going to roughly double the number  
17 of people working in that building in Baton Rouge.

18 Do you have a way of estimating, and I think  
19 it's a yes or no question to start with, but do you  
20 have a way of estimating what the increased air  
21 conditioning costs are going to be in Baton Rouge due  
22 to that substantial increase in occupancy?

23 A The occupancy is a very small portion of the  
24 heat load that's driven --

25 Q I don't want to interrupt you, but I think

1 it's a yes or no whether you have a way of doing that  
2 calculation.

3 A Repeat the question, please.

4 Q Okay. Do you have a way of calculating the  
5 estimated increases in air conditioning utility costs  
6 when you increase the number of people working in a  
7 building?

8 A Yes.

9 Q And what is that formula?

10 A Well, you take the bodies, the heat that's  
11 generated by a person, and you apply it to the heat  
12 load that's in the facility along with the degree days  
13 to calculate what the heating load is.

14 Q Okay. And was that done as part of -- well,  
15 I'm going to withdraw that because you said in your  
16 testimony that you assumed no increase for the gaining  
17 facilities.

18 Let me move on to the next question. Is it  
19 your understanding that a major purpose of this  
20 network redesign is to lengthen the processing window  
21 and allow machines to operate more hours during the  
22 day and minimize the extent to which you have machines  
23 standing idle during the day?

24 A Yes.

25 Q And do you have any figures or formula for

1 calculating the increased utility costs associated  
2 with, for instance, doubling or tripling the length of  
3 time that a processing machine is running?

4 A Yes. And I believe in my testimony I  
5 indicate that the machine as it's idle has a  
6 consumption of electric, and when you look at all the  
7 factors in total cost such as demand charges and time  
8 of use charges and eliminate those pieces of equipment  
9 such as the USFM Flat Sorters 1000 that requires a  
10 high pressure air system and high energy cost that  
11 it's negated.

12 Q Where were those calculations done?

13 A We looked at those calculations on the onset  
14 in my group.

15 Q Is there a library reference that contains  
16 those calculations?

17 A There is not. When you look at the total  
18 cost of nonpersonnel expenses and you start to look at  
19 things like HVAC, water conditioning treatment, when  
20 you look at snow removal, when you look at  
21 landscaping, when you look at all of those other  
22 costs, the cost to operate a piece of equipment in a  
23 facility is very, very minor in comparison to the  
24 total nonpersonnel costs for that facility.

25 The assumption that we made was on the

1 gaining sites that they would not be expanding either  
2 the facility or the property, so the four walls would  
3 remain the same.

4 CHAIRMAN GOLDWAY: So there was no increase  
5 in utility costs in your formulas?

6 THE WITNESS: That's correct, ma'am. We did  
7 not increase any of the utility cost in the gaining  
8 sites.

9 BY MS. KELLER:

10 Q Now let me move to a different line of  
11 questioning. Facilities that remain open with a BMEU  
12 and retail presence. They will continue to have  
13 certain maintenance requirements, correct?

14 A Maintenance in a plant currently that has  
15 mail processing equipment is classified as a  
16 maintenance capable office, and it operates under the  
17 MS-1, as an example, for building systems.

18 When a facility does not have a stockroom  
19 that has access to repairable parts it is then  
20 classified as a nonmaintenance capable office and  
21 falls under the guidelines of Maintenance Series 45  
22 and 110, okay, and the maintenance is performed at a  
23 field maintenance operation.

24 Q Okay. Let me ask it a little bit  
25 differently because I think you're getting maybe a

1 little too technical for me, although I'm grateful for  
2 the information.

3 In your testimony earlier you were  
4 discussing buildings that are closed down entirely and  
5 dormant was your phrase and the very limited  
6 maintenance requirements associated with a dormant  
7 facility. I'm asking now about facilities that will  
8 remain open that are losing their mail processing  
9 functions, but will remain open for retail. BMEU and  
10 as a hub, transfer hub cross docking.

11 I would assume that their maintenance  
12 requirements fall somewhere between the dormant  
13 facility and the facility that's running full mail  
14 processing. Would that be a correct assumption?

15 A That is correct, and we've taken that into  
16 consideration for LDC Labor Distribution Code 37,  
17 which is the facilities maintenance, and LDC Labor  
18 Distribution Code 38, which is the building services  
19 or custodial, and what we've done is we've taken 95  
20 percent as savings and left 5 percent remaining to  
21 support those nonmail processing operations.

22 Q Okay.

23 A We derived the 5 percent by taking a look at  
24 a number of facilities and calculating what size those  
25 nonmaintenance operations, what portion of the

1 facility they included.

2 Q So for a facility -- I want to try to put  
3 this a little bit more in laymen's terms if we could.  
4 For a facility that remains open with a BMEU, retail  
5 and is a cross dock, you're going to continue to need  
6 some custodial there, correct?

7 A Yes, ma'am.

8 Q And you're going to continue to need to run  
9 the HVAC there, correct?

10 A Yes, ma'am.

11 Q You're going to continue to need things like  
12 snow removal, rubbish removal, correct?

13 A Yes, ma'am.

14 Q You will continue to need probably some sort  
15 of maintenance staffing there, correct?

16 A Not necessarily.

17 Q Okay. What would that depend on?

18 A MS-45 and MS-110.

19 Q Okay. Thank you. Okay. Let's take another  
20 example. Let's take the example of a facility that  
21 the decision has been made that it's going to lose the  
22 originating mail processing, but not the destinating  
23 mail processing. What type of maintenance and  
24 facility support would that facility need?

25 A It would depend on what equipment was left,

1 and prior to February 23 that was not a consideration.

2 CHAIRMAN GOLDWAY: But after February 23 it  
3 may be, and that will change some of your  
4 calculations?

5 THE WITNESS: If the facility has equipment  
6 in it and we assume that there would be no equipment,  
7 yes, ma'am. It would change the calculation.

8 CHAIRMAN GOLDWAY: There was some discussion  
9 yesterday, and there will be again later today, about  
10 hubs and how many hubs there will be and where. Do  
11 you expect that that information might change your  
12 cost estimates as well?

13 THE WITNESS: It would depend on what  
14 equipment sets and what the square footage of that  
15 facility would be utilized and how it would be  
16 utilized.

17 CHAIRMAN GOLDWAY: And you don't have that  
18 information yet?

19 THE WITNESS: I do not.

20 BY MS. KELLER:

21 Q I think I just have one more short line of  
22 questioning if I may. Let's talk about those AMP  
23 decisions that were released on February 23. Was your  
24 office or you personally involved in reviewing those  
25 AMP studies prior to their approval by Mr. Williams?

1           A     We looked at them from a maintenance  
2 perspective.

3           Q     Okay.  And was your role in that to ensure  
4 that the field offices had properly accounted for the  
5 maintenance costs and savings on both the losing and  
6 gaining side?

7           A     We looked at the maintenance based on  
8 equipment sets and square footage and equipment  
9 utilization, and although I don't want to take credit,  
10 I mean, all we're doing is applying documents that we  
11 have in the Postal Service that issue policy that talk  
12 about what the maintenance requirements are for  
13 particular equipment, and we utilize that to develop  
14 what the staffing requirement is.  So that's the  
15 extent of our obligation from a maintenance  
16 perspective.

17          Q     Okay.  Thank you.  I think that's helpful.  
18 Are those policies you're talking about that provide  
19 guidelines for staffing per equipment, those are based  
20 on the current and historical use levels of equipment,  
21 correct?

22          A     Those documents are provided based on a wide  
23 range, so if you look at my library reference there's  
24 many of those documents in there for various different  
25 pieces of equipment, and within that document it

1 depicts whether the equipment is long or short, if it  
2 runs light or heavy.

3 Q Okay.

4 A And it provides you with the required  
5 maintenance hours necessary to support that equipment.

6 MS. KELLER: I want to just briefly look at  
7 one of these AMP studies with you just so I have a  
8 good understanding of what is done in these AMP  
9 studies. If I may approach?

10 CHAIRMAN GOLDWAY: Yes, you may.

11 BY MS. KELLER:

12 Q I've just handed you a copy of the AMP study  
13 for the Tucson to Phoenix consolidation, and I've  
14 picked this one to look at with you because this is a  
15 facility that is slated to lose its mail processing  
16 role, but will continue open with a retail office,  
17 BMEU and as a hub for transferring mail from southern  
18 Arizona.

19 If we look at page 37, there is a sheet that  
20 is titled Maintenance that is last saved February 22,  
21 2012. Is this the information that you and your  
22 office would have reviewed when reviewing these AMP  
23 studies?

24 A I believe that this was submitted from the  
25 field. Our response for each of these studies would

1 be based on equipment set and work hours that we  
2 derived.

3 Q All right. I'm sorry. Now I'm a little  
4 confused. When you say your response, what are you  
5 referring to?

6 A Well, you're asking me if my office did this  
7 and my --

8 Q No. I'm sorry. I'll clarify. I wasn't  
9 asking if your office did this. I understand that  
10 this is completed I believe at the local or regional  
11 level, but I had asked if your office reviewed the AMP  
12 studies, and I thought you said yes, so I was asking  
13 if this information here on page 37 is what you and  
14 your office reviewed.

15 A No. What our office reviewed is the  
16 equipment set and the facility usage, and we provided  
17 our inputs up to Network Operations.

18 Q Okay. I think we can be done here if I've  
19 got the answer that I think I've got. Your office did  
20 not review this portion of the AMP packages?

21 A We provided the input which would marry up  
22 to this, which would match up to this portion. So we  
23 looked at the equipment set, we looked at the  
24 maintenance hours, and we provided that input up to  
25 Network Operations.

1           Q     When you say you looked at, what were you  
2 looking at? I understand that you were looking at the  
3 equipment numbers, but --

4           A     I mean, I guess my question is if you're  
5 asking me if I looked at this sheet of paper, okay, or  
6 if we looked at the data that's required to generate  
7 this --

8           Q     Let's start with the first part. Did you  
9 look at this sheet of paper?

10          A     I did not.

11          Q     Okay. What sheet of paper did you look at?

12          A     We looked at the information that was  
13 required in that AMP study that was predicated on  
14 equipment sets and facilities both before and after.

15          Q     And what format did you get that information  
16 in?

17          A     It was probably on a spreadsheet.

18          Q     And this spreadsheet. Did you receive a  
19 separate spreadsheet for each proposed consolidation?

20          A     Correct. We have a database that looks at  
21 what the current staffing is out of EMARS that  
22 provides a staffing package based on the total  
23 equipment that the facility currently has, so we use  
24 that as a basis, which is the same information that is  
25 provided in L-31 on the base, okay?

1           That's the current basis, and then the  
2 proposed would be the equipment set that was looked at  
3 based on what the facility was going to use or what  
4 the facility was going to have in the way of equipment  
5 and utilization. There is a major difference between  
6 facilities that were done before the February 23  
7 release. In fact, some facilities had changed after  
8 February 23, whether it was just originating or  
9 destinating or both, so there are some differences  
10 there.

11           Q     So you looked at the proposed equipment sets  
12 and applied the policies to determine what the  
13 appropriate staffing would be. Who did you then  
14 supply those numbers to?

15           A     Network Operations.

16           Q     That would be Mr. Neri?

17           A     I believe it was somebody on Dave's staff.  
18 I don't remember exactly who has that responsibility.

19           Q     Okay.

20           A     It might have been Steve Martin.

21           Q     Okay. So, for instance, if I'm  
22 understanding this correctly, someplace like Phoenix  
23 that was not slated to receive any additional mail  
24 processing equipment, as a result of that they did not  
25 receive any additional staffing for maintenance of

1 equipment?

2 A That would be incorrect.

3 Q Okay. Correct me.

4 A Well, when we took a look at the -- this is  
5 prior to February 23. When we looked at equipment  
6 utilization in a place like Phoenix if they currently  
7 were running their DBCSs, delivery barcode sorters,  
8 eight hours a day we increased their delivery barcode  
9 sorters first to 222 stacker machines, second to seven  
10 days a week and third to three tour operations.

11 So if their staffing currently has a DBCS  
12 Phase 6 that is running one tour it's probably going  
13 to receive about 450 approximate work hours from a  
14 maintenance perspective total for the year. What we  
15 did was we increased that work hours to 1,950  
16 approximately. Now, approximately is that we don't  
17 determine what the number is. It's outlined in one of  
18 the bulletins.

19 Q So why is it if we look at page 37 in front  
20 of us Phoenix gets no additional work hours for  
21 maintenance of building equipment, mail processing  
22 equipment, building services, MOS?

23 A Well, first off is I'm not sure that Phoenix  
24 -- I don't know what Phoenix had prior to that, so  
25 they may be running their equipment. Secondly is this

1 is not the document that I prepared. My document is  
2 outlined in the spreadsheet in L-31, and it was  
3 predicated on the pre February 23. This potentially  
4 could be --

5 Q I understand that. I'm trying to move past  
6 what's in Library Reference 31 and get to where the  
7 rubber hits the road, what we're actually --

8 A Well, I can't speak with precision past  
9 February 23. I originally said that earlier.

10 MS. KELLER: Okay. I understand. I think  
11 that's all the questions I have then. Thank you. I'm  
12 sorry. That took a little longer than I had  
13 anticipated.

14 CHAIRMAN GOLDWAY: Any other questions from  
15 our participants?

16 (No response.)

17 CHAIRMAN GOLDWAY: Questions from the bench?

18 COMMISSIONER ACTON: Sure. Thanks, Madam  
19 Chairman.

20 CHAIRMAN GOLDWAY: Commissioner Acton?

21 COMMISSIONER ACTON: Thank you. Welcome,  
22 Mr. Bratta. Your inflections bring back some great  
23 memories I have from New York City, so thanks for  
24 coming down today.

25 THE WITNESS: You're quite welcome.

1                   COMMISSIONER ACTON: We have questions about  
2 your Work Hour Estimator Program. Can you give us a  
3 little background how the Postal Service currently  
4 uses this program?

5                   I'll give you an instance of what we're  
6 talking about. Is the program used on a weekly,  
7 monthly or annual basis to help you determine an  
8 appropriate number of maintenance work hours that may  
9 be needed?

10                  THE WITNESS: The program is generated or  
11 the user is the actual field site, and the field site  
12 has a requirement based on postal policy that if there  
13 is a significant change in the operations or equipment  
14 or one year, whatever is less, they must update their  
15 WHEP program.

16                  COMMISSIONER ACTON: Okay. That may give us  
17 some insight on this next question that's related to  
18 that. Do your facilities generally follow the output  
19 from the Work Hour Estimator Program closely, or is it  
20 used more as sort of a starting point for the  
21 development of a maintenance staffing approach?

22                  THE WITNESS: There is some latitude at the  
23 approving official's level, so depending on the site.  
24 For example, if we take a plant -- let's use the  
25 Washington, D.C. plant, okay?

1           The maintenance manager and his staff would  
2       prepare an estimate of what their work hours are  
3       required. The program itself would also generate  
4       based on the inventory what is recommended, and the  
5       Cap Metro area maintenance manager would approve that  
6       staffing. So there is some latitude at the area level  
7       for the Washington, D.C. P&DC.

8           COMMISSIONER ACTON: Okay. I appreciate  
9       your expert testimony. You've provided some very  
10      informed insights for us here today.

11           CHAIRMAN GOLDWAY: Vice Chair Langley?

12           VICE CHAIRMAN LANGLEY: Thank you, Mr.  
13      Bratta. I really appreciate your testimony and your  
14      willingness to be here.

15           Following up on Commissioner Acton's  
16      question on WHEP, the WHEP program involves a variety  
17      of inputs to determine the appropriate maintenance  
18      levels. And so could you provide the key inputs that  
19      were changed in order to determine the new network  
20      authorized full-time equivalent employees?

21           I know that was in your Library Reference  
22      31, but I don't quite understand everything that's in  
23      there, and perhaps you could just give a couple  
24      examples whether there are new inputs, the key inputs  
25      that were changed.

1 THE WITNESS: Okay. I believe that --

2 VICE CHAIRMAN LANGLEY: I know that it shows  
3 a chart -- not a chart, but a description of the  
4 gaining or other site maintenance staffing criteria,  
5 so if you're moving equipment from one plant to  
6 another were there key inputs that --

7 THE WITNESS: Yes. I believe that I had a  
8 Word document that was in my library reference also,  
9 and it talked about some assumptions that we made when  
10 we developed the staffing.

11 So we used the base on what was currently  
12 authorized when we started. That was September 23.  
13 And then we took the proposed equipment set for that  
14 facility. We increased, using the maintenance  
15 management orders that were in my library reference to  
16 determine the staffing, the maintenance staffing for  
17 each piece of equipment.

18 So for delivery barcode sorters we took a  
19 piece of equipment that was 222 pockets, okay, which  
20 is a fairly large machine. We took seven days a week  
21 and we took three tour operation, which is the most  
22 severe that you can be allowed to staff.

23 So in my previous example I said that if we  
24 were running that piece of equipment for eight hours a  
25 day the facility would have 1,500 or 1,450 -- I

1 believe it's 1,440 is the exact number, but it's  
2 approximately 1,450 work hours per year to support  
3 that piece of equipment. That includes preventative  
4 maintenance, corrective maintenance and operational  
5 maintenance.

6           When we go to a three tour operation that  
7 number goes from 1,450 to 1,950, an addition of 500  
8 work hours a year for maintenance. So in a facility  
9 that has 30 DBCSs, 10 of them might have run more than  
10 two tours or a three tour operation. The other 20  
11 were probably running approximately eight hours or  
12 less.

13           So in a facility that had, as an example, 30  
14 DBCSs, delivery barcode sorters, we increased them 20  
15 times 500 or 10,000 hours for that facility.  
16 Seventeen hundred and sixty hours is equivalent to one  
17 full-time person.

18           VICE CHAIRMAN LANGLEY: Okay. That's a good  
19 description. Thank you. And you helped me segue into  
20 another question that I had.

21           Your testimony indicates that the Postal  
22 Service is moving from calendar-based maintenance to  
23 condition-based maintenance. I'm just curious. Does  
24 the Postal Service have a calculation on the savings  
25 that might be gained by going from calendar to

1 condition-based maintenance?

2 THE WITNESS: We do, and it would depend on  
3 equipment platform and usage.

4 VICE CHAIRMAN LANGLEY: And so would that  
5 change? Since February 23 there are different  
6 configurations of plants that are closing. Some are  
7 retaining their retail facilities. So would all of  
8 these calculations be changing?

9 Like the spare parts calculation. I think  
10 there's an annual savings of close to \$68 million a  
11 year. Is that going to change based on what was  
12 proposed on --

13 THE WITNESS: We have not finalized or  
14 finished our calculations based on the February 23  
15 information that was released, so all of the  
16 information that I provided in my testimony and in my  
17 library references are pre February 23.

18 VICE CHAIRMAN LANGLEY: So that will be  
19 changing most likely?

20 THE WITNESS: It may change.

21 VICE CHAIRMAN LANGLEY: It may change.

22 Okay. Thank you. That's all the questions I have.

23 CHAIRMAN GOLDWAY: Thank you. Mr. Bratta, I  
24 have a question about the staffing guidelines that are  
25 referenced in NPMHU/USPS-T5-2. You refer to the WHEP

1 staffing MOO-07400.

2 THE WITNESS: Yes, ma'am.

3 CHAIRMAN GOLDWAY: And it appears that these  
4 were last updated in the year 2000. Have the staffing  
5 changes --

6 THE WITNESS: Yes.

7 CHAIRMAN GOLDWAY: -- adjusted since then?

8 THE WITNESS: The 07400 is the --

9 CHAIRMAN GOLDWAY: Yes.

10 THE WITNESS: -- MMO for the general  
11 guidelines to the maintenance staffing. The MOS  
12 staffing matrix is currently -- that's the current  
13 one. All of the other equipment or most of the other  
14 equipment has been updated with subsequent MMOs.

15 So, for example, in one of my library  
16 references there is a -- I'll just pick any one here.  
17 There's 5710, which talks about an update to the Flat  
18 Sorting Machine 100s, and it provides guidelines and  
19 operational maintenance time for that piece of  
20 equipment.

21 CHAIRMAN GOLDWAY: So there's a general  
22 staffing guideline document which was prepared in  
23 2000, but the specifics for all the equipment has now  
24 been updated?

25 THE WITNESS: It updates any time there's a

1 need for it, whether the equipment is modified,  
2 whether we find out or we come up with new ways of  
3 maintaining the equipment, when we change cameras or  
4 we change components on a piece of equipment. That is  
5 changed.

6 CHAIRMAN GOLDWAY: And where would those  
7 guidelines be?

8 THE WITNESS: They're in the maintenance  
9 management orders and I believe they're in my library  
10 reference, and each one of them is specific to a  
11 specific piece of equipment.

12 CHAIRMAN GOLDWAY: Thank you. That  
13 clarifies the question we had. I believe that that  
14 completes the questions for you, Mr. Bratta. Thank  
15 you for your participation and your very clear  
16 answers. We still will be working out this issue of  
17 getting the updated data that relates to your  
18 testimony and perhaps a couple of other testimonies.

19 We will excuse you if -- oh, yes. There's  
20 redirect. My apologies. We completed our questions  
21 for you, but note that there may be some additional  
22 concerns based on updating of the information as a  
23 result of the February 23 announcement.

24 We have an opportunity to break for a few  
25 minutes, which is I guess why I was running ahead of

1 myself. You have an opportunity to consult with your  
2 counsel to determine if there is redirect. We will  
3 reconvene at 11:15.

4 (Whereupon, a short recess was taken.)

5 CHAIRMAN GOLDWAY: Good morning. We're  
6 reconvening.

7 Does the Postal Service wish to have  
8 questions for redirect?

9 MR. MECONE: Yes, thank you.

10 REDIRECT EXAMINATION

11 BY MR. MECONE:

12 Q Witness Bratta, earlier in your discussion  
13 the Chairman asked you about the possibility of  
14 updating some of the information contained in your  
15 testimony and your interrogatory responses. Can you  
16 explain how you would go about providing an update and  
17 what would be necessary?

18 A Yes. In order to provide a valid update,  
19 there's several steps that need to happen before we  
20 can even begin to finalize our estimations. First, a  
21 service change would need to be finalized. From that,  
22 development of facility usage and the equipment set  
23 that would be in those facility and how that equipment  
24 would be utilized would need to be provided to me.  
25 From that point, we can begin to develop a new

1 spreadsheet indicating what the new hours requirement  
2 would be for each of the facilities.

3 MR. MECONE: The Postal Service has no  
4 additional questions at this time.

5 CHAIRMAN GOLDWAY: Thank you. Well, then,  
6 Mr. Bratta, your testimony is appreciated and your  
7 participation will be noted. You are excused, but we  
8 will note that some additional information will be  
9 required in terms of updating data based on the  
10 February 23 announcement of processing plant closings,  
11 and I will work with staff attorneys to try and  
12 develop some clearer language about that before the  
13 end of the day. And if information should arise based  
14 on your responses, we may need to call you back, but I  
15 think it's most likely that this will be our last time  
16 to see you, and we thank you again for attending our  
17 proceedings and for your thoughtful and detailed  
18 responses.

19 THE WITNESS: Thank you, Madam Chairman.

20 (Witness excused.)

21 (Pause.)

22 CHAIRMAN GOLDWAY: Are we all set?

23 Our next witness is Witness Martin, and I  
24 believe Mr. Connolly is here for the Postal Service.

25 MR. CONNOLLY: That's correct, Madam

1 Chairman.

2 CHAIRMAN GOLDWAY: Would you identify your  
3 witness so I can swear her in?

4 MR. CONNOLLY: Yes, I will. Thank you.

5 The Postal Service calls Cheryl Martin to  
6 the witness stand.

7 Whereupon,

8 CHERYL MARTIN

9 having been duly sworn, was called as a  
10 witness and was examined and testified as follows:

11 CHAIRMAN GOLDWAY: Thank you. Please be  
12 seated.

13 Counsel, you may begin.

14 MR. CONNOLLY: Thank you, Madam Chairman.

15 DIRECT EXAMINATION

16 BY MR. CONNOLLY:

17 Q Ms. Martin, earlier I handed you two copies  
18 of a document entitled Direct Testimony of Cheryl D.  
19 Martin on Behalf of the United States Postal Service  
20 marked USPS-T-6. Did you have a chance to examine  
21 those copies?

22 A Yes, I have.

23 Q Ms. Martin, was this testimony prepared by  
24 you or under your direction?

25 A Yes.

1 Q And do these copies contain all the errata  
2 that was filed by March 20, 2012?

3 A Yes.

4 Q If you were to provide this direct testimony  
5 orally today, would your testimony be the same?

6 A Yes, it would.

7 Q And would this include Library Reference 11  
8 that is referenced on page Roman Numeral IV of your  
9 testimony?

10 A Yes.

11 MR. CONNOLLY: Madam Chairman, the Postal  
12 Service moves that the direct testimony of Cheryl D.  
13 Martin on behalf of the United States Postal Service  
14 marked as USPS-T-6 be received into evidence at this  
15 time.

16 CHAIRMAN GOLDWAY: Are there any objections?

17 (No response.)

18 CHAIRMAN GOLDWAY: Hearing none, I will  
19 direct counsel to provide the reporter with two copies  
20 of the corrected testimony of Cheryl Martin. That  
21 testimony is received into evidence. However,  
22 consistent with Commission practice, it will not be  
23 transcribed.

24 //

25 //

1 (The document referred to was  
2 marked for identification as  
3 Exhibit No. USPS-T-6 and was  
4 received in evidence.)

5 CHAIRMAN GOLDWAY: Counsel, you've  
6 identified the library reference that relates to  
7 Witness Martin's testimony. Are we including that in  
8 the motion that you presented earlier?

9 MR. CONNOLLY: That is correct.

10 CHAIRMAN GOLDWAY: Okay. Then the library  
11 reference is included in the previous motion.

12 Next we will receive written cross-  
13 examination. Ms. Martin, have you had the opportunity  
14 to examine the packet of designated written cross-  
15 examination that was made available to you in the  
16 hearing room today?

17 THE WITNESS: Yes, I have. Yes.

18 CHAIRMAN GOLDWAY: Are there any corrections  
19 or additions that you would like to make?

20 THE WITNESS: Yes.

21 MR. CONNOLLY: Madam Chairman, I think what  
22 the witness is referring to is the fact that this  
23 morning we made some substitutions to the  
24 interrogatory responses that appear in the packet.  
25 These included errata to the following

Heritage Reporting Corporation  
(202) 628-4888

1 interrogatories: GCA/USPS-T6-4, NPMHU/USPS-T6-11 and  
2 the responses to Questions 9 and 13 from Presiding  
3 Officer Information Request No. 1. All those errata  
4 were filed on March 20, 2012.

5 BY MR. CONNOLLY:

6 Q Is that correct, Ms. Martin?

7 A Yes.

8 CHAIRMAN GOLDWAY: If the questions  
9 contained in the packet with the corrections were  
10 posed to you orally today, would your answers be the  
11 same as those you previously provided in writing?

12 THE WITNESS: Yes, they would.

13 CHAIRMAN GOLDWAY: Everything seems to be in  
14 order, so, counsel, would you please provide two  
15 copies of the corrected designated written cross-  
16 examination of Witness Martin to the reporter. That  
17 material is received into evidence and it is to be  
18 transcribed into the record.

19 (The document referred to was  
20 marked for identification as  
21 Exhibit No. USPS-T-6 and was  
22 received in evidence.)

23 //

24 //

25 //

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Mail Processing Network Rationalization  
Service Changes, 2012

Docket No. N2012-1

DESIGNATION OF WRITTEN CROSS-EXAMINATION  
OF UNITED STATES POSTAL SERVICE  
WITNESS CHERYL D. MARTIN  
(USPS-T-6)

<u>Party</u>	<u>Interrogatories</u>
American Postal Workers Union, AFL-CIO	APWU/USPS-T6-1, 5, 7, 10 APWU/USPS-T1-34d redirected to T6 GCA/USPS-T6-1-2, 4 NAPM/USPS-T6-1-2, 4 NPMHU/USPS-T6-1, 3, 5-9, 11-12, 15-19, 21-23, 25-26 PRC/USPS-T6-POIR No.1 - Q9 PRC/USPS-T6-POIR No.1 - Q11 PRC/USPS-T6-POIR No.1 - Q13
Greeting Card Association	GCA/USPS-T6-1-6 PR/USPS-T6-4
National Postal Mail Handlers Union	APWU/USPS-T6-1, 7 NPMHU/USPS-T6-1-3, 5, 8, 11-12, 14, 17, 19, 25-26 PR/USPS-T6-2, 4 PRC/USPS-T6-POIR No.4 - Q5
Postal Regulatory Commission	APWU/USPS-T6-2, 6 APWU/USPS-T1-34d redirected to T6 NAPM/USPS-T6-1-4 NPMHU/USPS-T6-9, 11, 13-16, 18, 23-25 PR/USPS-T6-1, 5, 10 PRC/USPS-T6-POIR No.1 - Q9 PRC/USPS-T6-POIR No.1 - Q10 PRC/USPS-T6-POIR No.1 - Q11 PRC/USPS-T6-POIR No.1 - Q12 PRC/USPS-T6-POIR No.1 - Q13 PRC/USPS-T6-POIR No.4 - Q5 PRC/USPS-T6-POIR No.4 - Q6 PRC/USPS-T6-POIR No.4 - Q7 PRC/USPS-T6-POIR No.4 - Q8 PRC/USPS-T6-POIR No.5 - Q18 PRC/USPS-T6-POIR No.5 - Q19

Party

Public Representative

Interrogatories

APWU/USPS-T6-1, 5, 7, 10  
GCA/USPS-T6-1-2, 4-5  
NPMHU/USPS-T6-1-8, 10, 12, 17, 19, 21-22, 26  
PR/USPS-T6-2-4, 6-8, 11-13  
PRC/USPS-T6-POIR No.1 - Q9  
PRC/USPS-T6-POIR No.1 - Q10  
PRC/USPS-T6-POIR No.1 - Q11  
PRC/USPS-T6-POIR No.1 - Q13  
PRC/USPS-T6-POIR No.4 - Q5  
PRC/USPS-T6-POIR No.4 - Q6

Respectfully submitted,



Shoshana M. Grove  
Secretary

INTERROGATORY RESPONSES OF  
 UNITED STATES POSTAL SERVICE  
 WITNESS CHERYL D. MARTIN (T-6)  
 DESIGNATED AS WRITTEN CROSS-EXAMINATION

Interrogatory

Designating Parties

APWU/USPS-T6-1	APWU, NPMHU, PR
APWU/USPS-T6-2	PRC
APWU/USPS-T6-5	APWU, PR
APWU/USPS-T6-6	PRC
APWU/USPS-T6-7	APWU, NPMHU, PR
APWU/USPS-T6-10	APWU, PR
APWU/USPS-T1-34d redirected to T6	APWU, PRC
GCA/USPS-T6-1	APWU, GCA, PR
GCA/USPS-T6-2	APWU, GCA, PR
GCA/USPS-T6-3	GCA
GCA/USPS-T6-4	APWU, GCA, PR
GCA/USPS-T6-5	GCA, PR
GCA/USPS-T6-6	GCA
NAPM/USPS-T6-1	APWU, PRC
NAPM/USPS-T6-2	APWU, PRC
NAPM/USPS-T6-3	PRC
NAPM/USPS-T6-4	APWU, PRC
NPMHU/USPS-T6-1	APWU, NPMHU, PR
NPMHU/USPS-T6-2	NPMHU, PR
NPMHU/USPS-T6-3	APWU, NPMHU, PR
NPMHU/USPS-T6-4	PR
NPMHU/USPS-T6-5	APWU, NPMHU, PR
NPMHU/USPS-T6-6	APWU, PR
NPMHU/USPS-T6-7	APWU, PR
NPMHU/USPS-T6-8	APWU, NPMHU, PR
NPMHU/USPS-T6-9	APWU, PRC
NPMHU/USPS-T6-10	PR
NPMHU/USPS-T6-11	APWU, NPMHU, PRC
NPMHU/USPS-T6-12	APWU, NPMHU, PR
NPMHU/USPS-T6-13	PRC
NPMHU/USPS-T6-14	NPMHU, PRC
NPMHU/USPS-T6-15	APWU, PRC

Interrogatory

NPMHU/USPS-T6-16  
 NPMHU/USPS-T6-17  
 NPMHU/USPS-T6-18  
 NPMHU/USPS-T6-19  
 NPMHU/USPS-T6-21  
 NPMHU/USPS-T6-22  
 NPMHU/USPS-T6-23  
 NPMHU/USPS-T6-24  
 NPMHU/USPS-T6-25  
 NPMHU/USPS-T6-26  
 PR/USPS-T6-1  
 PR/USPS-T6-2  
 PR/USPS-T6-3  
 PR/USPS-T6-4  
 PR/USPS-T6-5  
 PR/USPS-T6-6  
 PR/USPS-T6-7  
 PR/USPS-T6-8  
 PR/USPS-T6-10  
 PR/USPS-T6-11  
 PR/USPS-T6-12  
 PR/USPS-T6-13  
 PRC/USPS-T6-POIR No.1 - Q9  
 PRC/USPS-T6-POIR No.1 - Q10  
 PRC/USPS-T6-POIR No.1 - Q11  
 PRC/USPS-T6-POIR No.1 - Q12  
 PRC/USPS-T6-POIR No.1 - Q13  
 PRC/USPS-T6-POIR No.4 - Q5  
 PRC/USPS-T6-POIR No.4 - Q6  
 PRC/USPS-T6-POIR No.4 - Q7  
 PRC/USPS-T6-POIR No.4 - Q8  
 PRC/USPS-T6-POIR No.5 - Q18  
 PRC/USPS-T6-POIR No.5 - Q19

Designating Parties

APWU, PRC  
 APWU, NPMHU, PR  
 APWU, PRC  
 APWU, NPMHU, PR  
 APWU, PR  
 APWU, PR  
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 APWU, PR, PRC  
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 APWU, PR, PRC  
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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY**

**APWU/USPS-T6-1.** What is the estimated increase/reduction in operating miles of Plant to Plant and Plant to Post Office transportation due to the 2009-2011 consolidations? Please provide all data and supporting analyses used to determine the average percent reduction or increase.

**RESPONSE:**

The responsive data are provided in the spreadsheet attached to this response, labeled "Rev.Attach.Resp.APWU.T6.1.xls". The input data for this spreadsheet are the current and proposed mileage data contained in Area Mail Processing (AMP) proposals or Post Implementation Reviews (PIR). As information, each AMP consolidation proposal is subject to a review process that includes an Initial Study and two Post Implementation Reviews (PIRs). At each stage of this process, the current and proposed mileage is evaluated and summarized in a report. My spreadsheet contains data from the most recent report completed for a specific AMP, provided that such report was completed between January 1, 2009 through December 31, 2011. These reports are contained in Library Reference USPS-LR-N2012-1/NP12.

The attached spreadsheet contains, for each consolidation, the following information: the type of report that was analyzed, the Fiscal Year the relevant report was completed, the type of consolidation, the date of the report, the names of the losing and gaining facilities, the total operating miles impacted by the consolidation, the "Plant-to-Plant" operating miles impacted by the consolidation, and the "Plant-to-Post Office" operating miles impacted by the consolidation. To compute the overall increase or reduction in operating miles for each consolidation, I subtracted the sum total of current operating miles from the sum total of proposed operating miles for the losing and gaining facilities under

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY**

review. A negative number (-) in the "Total Miles Impact" column indicates a reduction in operating miles. Routes serviced by Highway Contract Route (HCR) service and Postal Vehicle Service (PVS) were included in my analysis.

To determine whether the operating miles on a particular route were part of the "Plant-to-Plant" network or "Plant-to-Post Office" network, I matched the HCR Id. No. for each route to its assigned budget account number in the transportation database. Budget account numbers are financial accounting descriptors used to distinguish the categories of transportation mentioned in my testimony. See USPS-T-6 at 4. Plant-to-Plant routes are those that fall within the following transportation categories: Inter-Area, Inter-Cluster, and Inter-P&DC. Plant-to-Post Office routes are those that fall within the Intra-P&DC transportation category. PVS routes are also considered Plant-to-Post Office routes.

**MIILEAGE IMPACT ON PLANT TO PLANT AND PLANT TO POST OFFICE TRANSPORTATION**  
 [Revised March 21, 2012]

Study	Fiscal Year	Consolidation	Date of Report	Losing Facility	Gaining Facility	Impact to	Impact to	Impact to
						Operating Miles (Total)	Operating Miles (Plant-to-Plant)	Operating Miles (Plant-to-Post Office)
Final PIR	2011	Originating	16-Sep-11	Athens CSMPC GA	No. Metro PDC GA	797,437	153,449	643,988
Final PIR	2011	Originating	12-Aug-11	Binghamton PDF NY	Syracuse PDC NY	111,745	-14,286	126,031
Final PIR	2010	Originating	28-Jun-10	Canton PDF OH	Akron PDC OH	36,898	24,312	12,586
Final PIR	2011	Originating	19-Aug-11	Cape Code PDF MA	Brockton PDC MA	61,104	0	61,104
Final PIR	2012	Originating	2-Dec-11	Detroit PDC MI	Michigan MetroPlex PDC	-2,576,335	-2,361,464	-216,871
AMP	2011	Destinating	2-Sep-11	Flint PDC MI	Michigan MetroPlex PDC	218,939	230,484	-11,545
Final PIR	2011	Originating	23-May-11	Flint PDC MI	Michigan MetroPlex PDC	-955,653	-1,023,793	68,140
Final PIR	2010	O&D	30-Sep-10	Kansas City PDC KS	Kansas City PDC MO	970,446	-379,463	1,349,909
Final PIR	2011	Originating	11-Mar-11	Lakeland PDC FL	Tampa PDC FL	58,930	63,720	-4,790
Final PIR	2011	Originating	13-May-11	Long Beach PDC CA	Santa Ana PDC CA	-124,769	0	-124,769
Final PIR	2011	Originating	29-Aug-11	Manasota PDC FL	Tampa PDC FL	-1,010,541	-1,010,541	0
Final PIR	2011	Originating	13-May-11	Portsmouth PDF NH	Manchester PDC NH	-71,604	-31,807	-39,697
Final PIR	2011	Originating	22-May-11	Queens PDC NY	Brooklyn PDC NY	435,858	-95,670	531,528
Final PIR	2011	Originating	21-Jan-11	Staten Island PDF NY	Brooklyn PDC NY	10,062	0	10,062
Final PIR	2011	O&D	12-Aug-11	Watertown PDF NY	Syracuse PDC NY	-40,818	98,934	-139,752
Final PIR	2011	Originating	27-May-11	Western Nassau PDC NY	Mid Island PDC NY	-196,927	-42,068	-154,859
Final PIR	2012	O&D	2-Dec-11	Wilkes Barre PDF PA	Scranton PDC PA & Lehigh Valley PDC PA	-2,876,971	-1,312,750	-1,564,221
Final PIR	2011	O&D	13-May-11	Winchester PO VA	Dulles PDC VA	155,385	47,643	107,742
Final PIR	2011	Originating	11-Apr-11	Bloomington MPA IN	Indianapolis PDC IN	-2,868	0	-2,868
1st PIR	2011	O&D	27-May-11	Charlottesville PDF VA	Richmond PDC VA	-1,151,515	-1,298,253	146,738
1st PIR	2011	Originating	11-Apr-11	Columbus CSMPC GA	Macon PDC GA	-216,604	0	-216,604
1st PIR	2011	Originating	2-Sep-11	Dallas PDC TX	No. TX PDC	821,023	0	821,023
1st PIR	2011	Originating	2-Sep-11	Dulles PDC VA	Northern VA PDC	192,917	-266,923	74,006
AMP	2010	Originating	15-Jul-10	Fox Valley PDC IL	South Suburban PDC IL	216,770	0	216,770
1st PIR	2011	Originating	9-May-11	Fredrick PDF MD	South Suburban PDC MD	95,655	95,655	0
Final PIR	2012	Originating	9-Dec-11	Jackson CSMPC TN	Memphis PDC TN	-137,663	0	-137,663
AMP	2010	Originating	20-Apr-10	Kalamazoo PDC MI	Grand Rapids PDC MI	331,802	220,861	110,941
AMP	2010	Originating	22-Jun-10	Kilmer PDC NJ	DVD PDC NJ and Trenton PDC NJ	235,066	10,122	224,944
1st PIR	2011	Originating	13-May-11	Kinston PDF NC	Fayetteville PDC NC	210,711	-282,039	492,750
AMP	2010	O&D	19-May-10	Lima PDF OH	Toledo PDC OH	1,000,809	101,675	899,134
1st PIR	2011	Originating	21-Apr-11	London PDF KY	Lexington PDC KY	16,049	0	16,049
1st PIR	2010	O&D	26-Feb-10	Marysville PDF CA	Sacramento PDC CA	-1,406,659	-454,867	-951,792
Final PIR	2012	Destinating	28-Oct-11	Mojave PO CA	Bakersfield PDC CA	-95,858	-40,574	-55,284
1st PIR	2011	Originating	18-Feb-11	New Castle PDF PA	Pittsburgh PDC PA	-48,572	-4,801	-43,771
Final PIR	2011	Destinating	29-Aug-11	Newark PDC NJ	DVD PDC NJ	7,329	0	7,319
Final PIR	2011	Originating	13-May-11	Oxnard PDF CA	Santa Clarita PDC CA	765,504	-1,837,651	2,603,155
1st PIR	2011	Originating	29-Apr-11	Palatine PDC IL	Carol Stream PDC IL	-2,554,276	-211,802	-2,342,674
1st PIR	2011	Originating	22-May-11	Panama City PDF FL	Pensacola PDC FL	-186,797	-144,533	-42,264
AMP	2010	Originating	15-Jul-10	Tupelo CSMPC MS	Memphis PDC TN	15,974	5,764	10,210
AMP	2010	Destinating	22-Jun-10	West Jersey PDC NY	No. NJ Metro PDC & Kilmer PDC NJ	812,767	-185,281	998,048
1st PIR	2010	Originating	27-Apr-10	Wheeling PO WV	Pittsburgh PDC PA	46,492	0	46,492
AMP	2011	O&D	2-Jul-11	Aberdeen PDF SD	Dakota Central PDF SD	-168,535	-94,665	-73,870
AMP	2011	O&D	15-Apr-11	Alexandria LA PO	Shreveport PDC LA	-75,289	0	-75,289
AMP	2011	O&D	21-Apr-11	Ashland FDF KY	Charleston PDC WV	-2,917	-199,754	196,837
AMP	2011	O&D	25-Feb-11	Batesville AR	Northwest PDC AR	29,203	0	25,203
AMP	2011	Originating	14-Jun-11	Beaumont PDF TX	No. Houston PDC TX	-108,316	-99,022	-9,294
AMP	2011	O&D	23-Nov-10	Beckley WV PO	Charleston PDC WV	885	0	885
AMP	2011	Originating	11-Apr-11	Bowling Green PDF KY	Evansville PDF KY & Nashville PDC TN	-137,753	-118,391	-19,362
AMP	2011	O&D	15-Apr-11	Bristol VA PO	Johnson City MPO TN	-269,185	-298,862	29,677
AMP	2011	Destinating	12-Jun-11	Bronx PDC NY	Morgan PDC NY	1,187,515	0	1,187,515
AMP	2011	Originating	10-Jun-11	Bryan MPO TX	No. Houston PDC TX	9,395	-50,034	59,429
AMP	2011	Originating	24-Jun-11	Butte CSMPC MT	Great Falls PDF MT	-3,217	0	-3,217
AMP	2011	Originating	17-Jun-11	Colby KS PO	Salina CSMPC KS	0	0	0
AMP	2011	O&D	4-Feb-11	Daytona PDF FL	Mid-Florida PDC FL	-431,756	-729,960	298,204
AMP	2011	O&D	5-Jul-11	Decatur CSMPC IA	Waterloo PDF IA	-132,609	-32,797	-100,012
AMP	2011	O&D	29-Jul-11	Fleetstaff CSMPC AZ	Phoenix PDC AZ	0	0	0
AMP	2011	O&D	15-Jul-11	Fort Dodge CSMPC IA	Des Moines PDC IA	-127,899	-37,539	-90,360
AMP	2011	O&D	5-Jul-11	Fort Scott PO KS	Kansas City PDC MO	0	0	0
AMP	2011	O&D	21-Apr-11	Fort Smith CSMPC	Northwest PDC AR	438,259	34,092	404,167
AMP	2011	Destinating	22-Jul-11	Fredrick PDF MD	Baltimore PDC MD	1,122,593	83,354	1,039,239
AMP	2011	Originating	29-Aug-11	Gainesville PDF FL	Jacksonville PDC FL	-148,891	-148,891	0
AMP	2011	O&D	15-Jul-11	Gillette CSMPC WY	Casper PDF WY	98,679	0	98,679
AMP	2011	O&D	20-Jun-11	Glenwood Springs CSMPC CO	Grand Junction PDF CO	-385,201	0	-385,201
AMP	2011	O&D	9-Sep-11	Globe CSMPC AZ	Phoenix PDC AZ	0	0	0
AMP	2011	Originating	25-Feb-11	Harrison CSMPC AR	Northwest PDC AR	0	0	0
AMP	2011	O&D	24-Jun-11	Havre CSMPC MT	Great Falls PDF MT	0	0	0
AMP	2011	O&D	24-Jun-11	Hays PO KS	Salina CSMPC KS	54,260	0	54,260
AMP	2011	Originating	24-Jun-11	Helena CSMPC MT	Great Falls PDF MT	54,149	0	54,149
Final PIR	2011	Originating	12-Aug-11	Hickory PDF NC	Greensboro PDC NC	87,705	0	87,705
AMP	2011	O&D	22-Sep-10	Houston PDC TX	North Houston PDC TX	-1,027,554	-514,148	-513,406
AMP	2011	O&D	23-Nov-10	Huntington PDF WV	Charleston PDC WV	-240,990	-77,184	-163,806
AMP	2011	Originating	1-Jul-11	Huntsville PDF AL	Birmingham PDC AL	73,340	-122,448	195,788
AMP	2011	Originating	12-Jun-11	Hutchinson MPO KS	Wichita PDC KS	-7,458	0	-7,458
AMP	2011	O&D	10-Jun-11	Independence PO KS	Wichita PDC KS	-81,184	0	-81,184
AMP	2011	Originating	13-May-11	Industry PDC CA	Santa Ana PDC CA	388,722	58,871	330,851
AMP	2011	O&D	6-Sep-11	Jamestown CSMPC ND	Fargo PDF ND	50,274	9,384	40,890
AMP	2011	O&D	15-Jul-11	Klamath Falls CSMPC OR	Medford MPC OR	46,214	0	46,214
AMP	2011	Originating	27-Dec-10	Lafayette PDF IN	Kokomo PDF IN	43,020	0	43,020
AMP	2011	Originating	24-Jun-11	Lancaster PDC PA	Harrisburg PDC PA	-23,157	5,135	-28,292
AMP	2011	O&D	12-Aug-11	Las Cruces PDF NM	El Paso PDF TX	-154,102	-182,255	28,153
AMP	2011	O&D	2-Sep-11	Lincoln PDF NE	Omaha PDC NE	0	0	0
AMP	2011	Originating	11-Feb-11	Lufkin PDF TX	East Texas PDC TX	-117,413	-67,377	-50,036
AMP	2011	Originating	18-Mar-11	Lynchburg PDF VA	Roanoke PDC VA	-168,777	-178,740	9,963
AMP	2011	Destinating	29-Aug-11	Meridan CSMPC MS	Jackson PDC MS	-174,267	0	-174,267
AMP	2011	O&D	24-Jun-11	Miles City CSMPC MT	Billings PDC MT	0	0	0
AMP	2011	O&D	24-Jun-11	Mobridge CSMPC SD	Bismarck PDC ND	-482,543	-122,380	-360,163
AMP	2011	Originating	4-Feb-11	Muncie PDF IN	Kokomo PDF IN	69,663	-8,980	88,643
AMP	2011	Originating	1-Jul-11	North Bay PDC CA	Oakland PDC CA	570,791	282,953	287,838
AMP	2011	O&D	18-Mar-11	Oshkosh PDC WI	Green Bay PDC WI	-97,426	-282,764	165,338
AMP	2011	Destinating	25-Mar-11	Oxnard PDF CA	Santa Barbara PDC CA	1,049,661	82,068	957,593
AMP	2011	O&D	22-Jul-11	Pierre CSMPC SD	Dakota Central PDF SD	-80,379	0	-80,379
AMP	2011	Destinating	21-Apr-11	Pikeville PO KY	Charleston PDC WV	-196,617	0	-196,617
AMP	2011	Destinating	5-Aug-11	Portsmouth PDF NH	Manchester PDC NH & So. ME PDC	24,235	0	24,235

Attachment to Response of Postal Service Witness Martin to APWU/USPS-T6-1

MILEAGE IMPACT ON PLANT TO PLANT AND PLANT TO POST OFFICE TRANSPORTATION  
 [Revised March 21, 2012]

Study	Fiscal Year	Consolidation	Date of Report	Losing Facility	Gaining Facility	Impact to	Impact to	Impact to
						Operating Miles (Total)	Operating Miles (Plant-to-Plant)	Operating Miles (Plant-to-Post Office)
AMP	2011	Originating	1-Apr-11	Reading PDF PA	Lehigh Valley PDC PA	29,587	0	29,587
AMP	2011	O&D	15-Jul-11	Riverton MPA WY	Casper PDF WY	15,183	0	15,183
AMP	2011	O&D	21-Apr-11	Russellville CSMPC AR	Little Rock PDC AR	4,430	0	4,430
AMP	2011	Originating	4-Mar-11	Saginaw PDC MI	Michigan MetroPlex PDC	345,338	-22,644	367,982
AMP	2011	Destinating	23-May-11	Salinas PDF CA	San Jose PDC CA	1,166,762	-337,966	1,504,728
AMP	2011	O&D	15-Jul-11	Sheridan CSMPC WY	Casper PDF WY	-70,895	0	-70,895
AMP	2011	O&D	9-Sep-11	Show Low CSMPC AZ	Phoenix PDC AZ	0	0	0
AMP	2011	O&D	15-Jun-11	Sioux City PDF IA	Sioux Falls PDC SD	-66,548	-201,667	135,118
AMP	2011	Originating	23-May-11	Stockton PDF CA	Sacramento PDC CA	97,855	0	97,855
AMP	2011	O&D	11-Mar-11	Texarkana PO TX	Shreveport PDC LA	-555,043	-48,836	-506,207
AMP	2011	O&D	9-Sep-11	Twin Falls MP Annex ID	Boise PDC ID	-56,362	0	-56,362
AMP	2011	Destinating	29-Jan-11	Victoria PDF TX	Corpus Christie PDC TX	-142,896	0	-142,896
AMP	2011	O&D	11-Feb-11	Wichita Falls MPA TX	Fort Worth PDC TX	268,872	0	268,872
AMP	2011	O&D	15-Jul-11	Worland CSMPC WY	Casper PDF WY	131,128	-2,122	133,250
AMP	2011	O&D	4-Feb-11	Zansville PDF OH	Columbus PDC OH	-10,874	0	-10,874
AMP	2012	O&D	10-Nov-11	Bemidji MN CSMPC	St. Cloud PDF MN	-123,697	-61,055	-62,642
AMP	2012	O&D	10-Oct-11	Bluefield WV CSMPC	Charleston PDC WV & Johnson City TN	-68,395	-22,436	-45,959
AMP	2012	O&D	21-Oct-11	Mansfield CSMPC OH	Cleveland PDC OH	423,749	-529,215	952,964
AMP	2012	O&D	7-Oct-11	Martinsburg CSMPC WV	Baltimore PDC MD	-195,342	-336,471	140,129
AMP	2012	O&D	28-Oct-11	Utica PDF NY	Syracuse PDC NY	235,223	896	234,227
AMP	2012	Destinating	7-Oct-11	Wheeling PO WV	Pittsburgh PDC PA	-66,934	-151,694	64,760
AMP	2012	O&D	28-Oct-11	Yakima CSMPC WA	Pasco PDF WA	-153,944	-30,025	-123,919
<b>Total</b>						<b>-4,272,634</b>	<b>-14,469,316</b>	<b>9,810,838</b>

**FINANCIAL REPORTING SUMMARY  
BUDGET ACCOUNTS AND DESCRIPTION**

<b>53127</b>	<b>Intra BMC</b>
<b>53131</b>	<b>Inter BMC</b>
<b>53135</b>	<b>Plant Load</b>
<b>53601</b>	<b>Intra P&amp;DC</b>
<b>53609</b>	<b>Inter P&amp;DC</b>
<b>53614</b>	<b>Inter-Cluster</b>
<b>53618</b>	<b>Inter- Area</b>

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY**

**APWU/USPS-T6-2.** On page 13 of your testimony you state “[t]o the extent that HCRs can provide the needed transportation at a lower cost than PVS transportation, the Postal Service will save additional costs.” For the following HCR contracts please provide the: PS Form 7405, PS Form 7409, PS Form 4533, PS Form 5443 and the annual hours for each.

956L4	956L2	956L5	956L3
959A3	95934	95936	95938
95939	95948	95981	959L0
94690	45612B	320AG	320BG
320CG	320AK (A and B)	32015	32039
32132	32135	32136	32145
32146 (A and B)	32148	32169	321AA
321AE	321L0-A	321L0-B	321L2
328GE	27OU0	28634	28635
28636	28637	28647	28664
28667	28672	28680	286A1
286A5	286L0	286L1	286L3
541XX	53017	540L1	541A7
541L4	541A5	541CD	541L0
541L3	54110	54130	54131
54132	54133	54134	54136
54173	541L2	530BK(B)	53015
75196A	75393A	75395A	76315A
76331A	76332A	76333A	76334A
76335A	76336A	76365A	763AAA

**RESPONSE:**

The responsive documents are contained in USPS-LR-N2012-1/72. Please note that the following contracts were terminated for convenience: 320CG, 32135, 321AE, 76315, 76331, 76332, 76333, 76335, and 763AA and the records are no longer available. Additionally, 76336 and 45612 refer to expired contracts and the HCR Id. No. 541XX is invalid. Please also note that PS Form 4533 contains the schedule for PVS drivers and is therefore inapplicable to the HCR contracts identified in the interrogatory. For each HCR Id. No., I am providing the associated “Statement of Schedule and Service.” The Statement of Schedule and Service contains the following information for each route: termini (i.e., origin

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY**

**RESPONSE TO APWU/USPS-T6-2 (CONT.):**

and destination), number of trips, stops, annual hours and miles, frequency of operation, and total trip miles.

PS Forms 7405 and 7409 were unavailable for the majority of the highway contract routes listed in the interrogatory because the retention period for such documents had expired and the documents could not be located. For each contract route for which such forms were not available, I am providing the following forms instead: PS Form 7447 (Transportation Services Renewal Contract for Regular Service) and PS Form 7448 (Notice of Renewal of Transportation Services Contract for Regular Service). These substitute forms contain substantially the same information that would have been included in the PS Forms 7405 and 7409 (e.g., origin, destination, contract term, rate of compensation, and supplier).

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TG AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY**

**APWU/USPS-T6-5.** What is the impact of longer transit times/farther distances among plants on the CET times for mail and parcel induction by each class and sub-category of mail and parcels?

**RESPONSE:**

The Postal Service anticipates that there will be some increases in transit times between plants due to the fact that distances between certain origin/destination plant pairs will increase. However, the Postal Service does not expect that any increases in transit times overall will have an impact on the CET times for mail and parcel induction.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY**

**APWU/USPS-T6-6.** What are the overall expected changes in transit times given the longer distances between plants?

**RESPONSE:**

Please see my response to APWU/USPS-T6-5.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY**

**APWU/USPS-T6-7.** Page 17 of USPS Witness Williams' testimony allows for potential 3-digit [ZIP] to 3-digit ZIP Code changes to service standards based on the reconfiguration of the network.

- a) For any given customer shipping parcels, in any of the parcel sub-categories of mail within the network, will there be circumstances where, due to plant closures, the total transit distance for parcels flowing through the system may increase significantly from origin to destination?
- b) If so, has an analysis been done to calculate the percentage of volume in each parcel sub-category which may be affected?
- c) If this analysis was conducted, what are the percentages of volume expected to be affected?
- d) Is Priority [M]ail, both flats and parcels, expected to be affected in the same way?
- e) If so, what percentage of Priority mail would be affected?

**RESPONSE:**

- (a) Because it is unclear what the term "significantly" implies, and because the remapping of ZIP Codes is incomplete, I am unable to provide a complete response to this interrogatory. However, I anticipate that the total transit distance for a customer's shipment of parcels may be increased or decreased based on the remapping of ZIP Codes which will result in the establishment of new origin/destination ZIP Code pairs throughout the network.
- (b) No.
- (c) N/A
- (d) Because the remapping of ZIP Codes is incomplete, I am unable to provide a complete response to this interrogatory. However, I anticipate that total transit distances for Priority Mail parcels and flats may also increase or decrease, although not necessarily in synchrony with one another.
- (e) I interpret this interrogatory part as seeking the percentage of Priority Mail

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY**

**RESPONSE TO APWU/USPS-T6-7 (CONT.):**

that is expected to be affected by any increases or decreases in transit distances. I understand that the Postal Service has estimated that approximately 22 percent of the Priority Mail processed within the plant network is currently processed at a location that has been approved as a consolidation opportunity. Any such Priority Mail volume could be affected by increases or decreases.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY**

**APWU/USPS-T6-10.** Please explain the rules that the Postal Service applies to determine which outgoing mail is to be transported from origin facility to destination facility via surface transportation, and which mail is to be transported from origin to destination facility via air transportation. Please include in this explanation a description of:

- a) All relevant origin-to-destination facility mileage thresholds, by mail product, at or below which surface transportation is chosen, and above which air transportation is chosen.
- b) The air transportation rules or guidelines that determine, by mail product, which type of air transportation mode – FedEx Day, FedEx Night, other commercial, etc. – is to be used.
- c) With respect to mail to be transported by FedEx Day or FedEx Night air contracts, the rules determining whether the Postal Service or Postal Service contractors deliver the mail to FedEx air facility locations, or whether FedEx picks up this mail from Postal Service processing facilities or other Postal Service locations.
- d) The rules determining whether the mail is picked up by the Postal Service from FedEx's destination air facilities; or whether FedEx transports the mail directly to a destinating Postal Service facility.

**RESPONSE:**

- (a) There are no specific origin-to-destination facility mileage thresholds that establish transportation mode by mail product. The only mail products routinely transported via air are Express Mail, Priority Mail, and First-Class Mail. The factors that determine whether the transportation mode should be surface or air are: (1) the service standard for the mail product; (2) the maximum distance a surface trip can be and achieve the service standard, and (3) the relative costs to fly or truck the mail. In some cases, mail capable of timely surface transportation will be assigned to air transportation if air transportation is more economical than surface transportation.
- (b) The selection of the optimal air service provider depends on such factors as product service requirements, TSA security regulations, contract

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY**

**RESPONSE TO APWU/USPS-T6-10 (CONT.):**

specifications, cost, and available capacity. Further, some general rules apply to specific mail classes:

Priority Mail. Due to TSA's cargo screening requirements, Priority Mail is predominately transported via the Federal Express (FedEx) Day network. Little Priority Mail is transported via the United Parcel Service (UPS) network. A small amount of Priority Mail is also transported via commercial passenger air carriers after canine screening.

First-Class Mail. First-Class Mail (FCM) is transported on commercial passenger air flights, the FedEx dayturn, and UPS network. Allocation of FCM volume to these networks is driven by contract minimums, operations at the airstop locations, service responsive routings, and aircraft capacity.

Express Mail. Express Mail is transported primarily via the FedEx Night network for overnight committed volume due to its operational window and transport time. Express Mail not requiring overnight commitment can be transported via the Night turn Network, Dayturn Network, or commercial airline as long as the transportation is service responsive.

- (c-d) Whether mail is transported between Postal Service and FedEx networks by postal or FedEx resources is determined by agreement with FedEx. Determining factors for these arrangements include available drayage on airport grounds, specialized equipment requirements (i.e., CTV trailers),



**RESPONSE OF POSTAL SERVICE WITNESS MARTIN TO  
AMERICAN POSTAL WORKERS UNION, AFL-CIO INTERROGATORY,  
REDIRECTED FROM WITNESS WILLIAMS**

**APWU/USPS-T1-34.** Page 26 of your testimony states that “[t]he Postal Service will continue to provide a 1-3 day Priority Mail service after network consolidation is implemented,” and that it will also “continue to provide overnight Express Mail service.” Your testimony further states that for both Priority Mail and Express Mail, “[t]he standards from each origin zone to the remainder of the country will be defined by the capability of the realigned mail processing network.”

- a) What will be the impact of the realigned network on the service standards of these competitive products?
  - i. What percentage of Express Mail volume is currently delivered in one day? How will this change under the realigned network?
  - ii. What percentage of Priority Mail volume is currently delivered in one day? In two days? In 3 days? In more than three days? What will these figures be under the realigned network?
- b) What is the anticipated impact on the parcel components of these competitive products?
  - i. What percentage of Express Mail parcel volume is currently delivered in one day? How will this change under the realigned network?
  - ii. What percentage of Priority Mail parcel volume is currently delivered in one day? In two days? In 3 days? In more than three days? What will these figures be under the realigned network?
- c) What percentage of Priority Mail and Express Mail respectively, will experience a downgrade in actual service time due to the network realignment?
- d) Will Priority Mail and Express Mail require product specific transportation after network realignment?

**RESPONSE:**

- (a-c) [Responses provided by Witness Williams (USPS-T-1).]
- (d) Product-specific transportation for Priority Mail and Express Mail is anticipated to be similar to the transportation in today’s environment. For example, Express Mail is currently transported on the night turn FedEx network and will continue to be transported in that manner in the rationalized network. In some instances it may be necessary to provide product-specific transportation based on the service standards, as is done today.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T6-1.** Please refer to page 9, lines 11-23, of your prefiled testimony, and to the first page of Library Reference USPS-N2012-1/11 ("Plant to Plant Transportation Summary").

(a) Was the 24.71 percent reduction reported in both the above-cited locations arrived at by averaging the unrounded percent reductions in the last column of the above-cited spreadsheet? If your answer is not an unqualified "yes," please fully explain how the 24.71 percent was arrived at.

(b) Please explain how, if at all, route miles, annual frequency of trips, utilization, and vehicle capacity entered into the derivation of the 24.71 percent reduction.

[(c)] Please confirm that the 1,723 total trips shown as the total of the second column are identical with the trips listed in the second spreadsheet of Library Reference USPS-N2012-1/11 ("Plant to Plant Trips"). If you do not confirm, please explain fully.

**RESPONSE:**

(a) Yes.

(b) The 24.39 percent reduction figure was derived by dividing the number of trips that could be eliminated through network rationalization by the number of trips that I studied. To determine whether a trip was a candidate for elimination, I identified trips with low utilization and trips that would no longer be necessary due to a facility closure and/or the diversion of mail from surface transportation to air transportation. See USPS-T-6, at 9. Because vehicle capacity is a factor in determining utilization, vehicle capacity was an implicit factor in my analysis. Please see my response to PR/USPS-T6-4(b). Route miles and annual frequency of trips did not play a role in identifying trips for possible elimination.

(c) Confirmed.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO GREETING CARD ASSOCIATION INTERROGATORIES**

**GCA/USPS-T6-2.** Please refer again to page 9, lines 11-23, of your prefiled testimony, and to the second spreadsheet of Library Reference USPS-N2012-1/11 ("Plant to Plant Trips").

(a) Does each of the HCR ID numbers in the second column represent a single, distinct highway contract transportation contract? If your answer is not an un-qualified "yes," please explain fully

(i) what an HCR ID number does represent, and

(ii) how, if at all, a user of this spreadsheet and/or your testimony and supporting materials as a whole can associate an HCR ID number, and/or a trip or group of trips, with a particular contract.

(b)

(i) If it is possible to associate an HCR ID number, and/or a trip or group of trips, with a particular contract, please explain fully how, if at all, a user of this spreadsheet and/or your testimony and supporting materials as a whole can determine to which of the contract types listed on page 4 of your prefiled testimony, lines 9-17, each such contract belongs.

(ii) If you have workpapers or other preliminary materials which would provide the information described in (b)(i), please provide them.

(c)

(i) If it is not possible to associate an HCR ID number, and/or a trip or group of trips, with a particular contract, please explain fully how, if at all, a user of this spreadsheet and/or your testimony and supporting materials as a whole can associate an HCR ID number, and/or a trip or group of trips, with one of the contract types referred to in (b)(i).

(ii) If you have workpapers or other preliminary materials which would provide the information described in (c)(i), please provide them.

**RESPONSE:**

(a) Yes.

(i) N/A

(ii) N/A

(b) Please see the responses to subparts (i) and (ii) below:

(i) To associate an HCR ID with a specific transportation category referenced in my testimony, the user of the spreadsheet would need to know the designated transportation budget account number

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO GREETING CARD ASSOCIATION INTERROGATORIES**

**RESPONSE TO GCA/USPS-T6-2 (CONT.):**

for the individual route. A budget account number is a financial descriptor used to categorize highway contract route service type and to track cost.

- (ii) I modified the "Plant to Plant Trips" spreadsheet filed under USPS-LR-N2012-1/11 to include a column that identifies the transportation category for each trip that I analyzed. Some of these trips fall into transportation categories that were not mentioned in my testimony. The modified spreadsheet is attached to this response.

- (c) N/A

PRC Docket No. N2012-1 Attachment to Response of Postal Service Witness Martin to GCAUSPS-TS-2(b)(8)  
Plant to Plant Trips

Area	HSR#	Trips	Trips/Season/Annul	Rate/Rate Mile	Origin	Dest 1	Dest 2	Dest 3	Destination	Trips/Ann	Trips/Cluster	Utilization	Annual Cost	Carriers/Cluster/Season/Ann	Transfer/Cluster
Northeast	030EJ	801	307.07	\$1.48	Nashua LDC NH	Springfield MA LDC			Pittsburgh LDC PA	628	Priority Mail	78%	\$280,648.70	No	Inter-Area
Northeast	030EJ	802	307.07	\$1.48	Pittsburgh LDC PA	Springfield MA LDC			Nashua LDC NH	628	Priority Mail	81%	\$280,648.70	No	Inter-Area
Northeast	030M1	1	255.75	\$2.18	Nashua LDC NH	Springfield MA LDC			Philadelphia NDC PA	322	Priority Mail	78%	\$184,349.78	No	Inter-Area
Northeast	030M1	2	255.75	\$2.18	Phila NDC	Springfield MA LDC			Nashua LDC NH	348	Priority Mail	73%	\$194,912.18	No	Inter-Area
Northeast	030N1	1	251.48	\$1.77	Nashua LDC NH	Springfield MA LDC			Detroit NDC MI	739	Priority Mail	74%	\$328,912.52	No	Inter-Area
Northeast	030N1	2	251.48	\$1.77	Detroit Priority Center	Springfield MA LDC			Nashua LDC NH	748	Priority Mail	87%	\$332,822.98	No	Inter-Area
Northeast	030N1	3	52.18	\$1.77	Nashua LDC NH	Springfield MA LDC	Rochester NY LDC		Detroit NDC MI	749	Priority Mail	70%	\$28,178.68	No	Inter-Area
Northeast	030N1	4	52.18	\$1.77	Detroit Priority Center	Rochester NY LDC	Springfield MA LDC		Nashua LDC NH	748	Priority Mail	77%	\$28,084.23	No	Inter-Area
Northeast	030J1	1	307.07	\$1.57	Nashua LDC NH	Springfield MA LDC	Raleigh PDC NC		Greensboro PDC NC	848	Priority Mail	88%	\$408,820.72	No	Inter-Area
Northeast	030J1	2	307.07	\$1.57	Greensboro PDC NC	Raleigh PDC NC	Springfield MA LDC		Nashua LDC NH	848	Priority Mail	95%	\$408,820.72	No	Inter-Area
Eastern	144CJ	1	255.75	\$1.87	Rochester LDC NY				NY LDC NY	328	Priority Mail	84%	\$140,088.82	No	Inter-Area
Eastern	144CJ	2	255.75	\$1.87	No. NJ LDC				Rochester NY LDC	328	Priority Mail	90%	\$140,088.82	No	Inter-Area
Eastern	144CJ	3	307.07	\$1.87	Rochester LDC NY				NY LDC NY	328	Priority Mail	89%	\$189,200.68	No	Inter-Area
Eastern	144CJ	4	307.07	\$1.87	No. NJ LDC				Rochester NY LDC	328	Priority Mail	30%	\$189,200.68	No	Inter-Area
Eastern	144EJ	1	307.07	\$1.78	Rochester LDC NY				Capital Metro STC MD	392	Priority Mail	74%	\$216,484.88	No	Inter-Area
Eastern	144EJ	2	307.07	\$1.78	Capital Metro STC MD				Rochester NY LDC	392	Priority Mail	92%	\$216,484.88	No	Inter-Area
Eastern	144JJ	3	280.89	\$1.86	Rochester LDC NY				New York LDC NY	369	Priority Mail	81%	\$188,688.08	No	Inter-Area
Eastern	144JJ	4	280.89	\$1.86	New York LDC NY				Rochester NY LDC	369	Priority Mail	74%	\$188,688.08	No	Inter-Area
Eastern	144JJ	5	52.18	\$1.86	Rochester LDC NY				New York LDC NY	369	Priority Mail	32%	\$37,738.88	No	Inter-Area
Eastern	144JJ	6	52.18	\$1.86	New York LDC NY				Rochester NY LDC	369	Priority Mail	82%	\$37,738.88	No	Inter-Area
Eastern	144LJ	1	255.75	\$1.50	Rochester LDC NY	Greensboro PDC NC			Charlotte LDC NC	790	Priority Mail	84%	\$303,063.75	No	Inter-Area
Eastern	144LJ	2	255.75	\$1.50	Charlotte LDC NC	Greensboro PDC NC			Rochester NY LDC	790	Priority Mail	92%	\$303,063.75	No	Inter-Area
Eastern	144PJ	1	As Needed	\$2.92	Rochester LDC NY				NY LDC NY	328	Priority Mail	No Data		No	Inter-Area
Eastern	144PJ	3	As Needed	\$2.92	Rochester LDC NY				NY LDC NY	328	Priority Mail	No Data		No	Inter-Area
Northeast	030EJ	1	307.07	\$1.48	Springfield LDC MA				NY LDC NY	152	Priority Mail	100%	\$68,144.97	No	Inter-Area
Northeast	030EJ	2	307.07	\$1.48	No. NJ LDC				Springfield LDC MA	152	Priority Mail	83%	\$68,144.97	No	Inter-Area
Northeast	030EJ	3	255.75	\$1.48	Springfield LDC MA				NY LDC NY	180	Priority Mail	100%	\$59,743.20	No	Inter-Area
Northeast	030EJ	4	255.75	\$1.48	No. NJ LDC				Springfield LDC MA	180	Priority Mail	84%	\$59,743.20	No	Inter-Area
Eastern	144NJ	1	255.75	\$1.83	Rochester LDC NY				Albany NY PDC	225	Priority Mail	50%	\$105,305.06	No	Inter-Cluster
Eastern	144NJ	2	255.75	\$1.83	Albany NY PDC				Rochester NY LDC	225	Priority Mail	43%	\$107,172.15	No	Inter-Cluster
Eastern	144MJ	4601	307.07	\$1.58	Rochester LDC NY	Buffalo PDC NY	Indianapolis PDC IN		Indianapolis P1 MPA IN	589	Priority Mail	34%	\$282,148.20	No	Inter-Area
Eastern	144MJ	4602	307.07	\$1.58	Indianapolis P1 MPA IN	Indianapolis PDC IN	Buffalo NY PDC		Rochester LDC NY	589	Priority Mail	74%	\$282,148.20	No	Inter-Area
Northeast	070CE	1	307.07	\$1.81	New Jersey STC NJ				Louisville PDC KY	774	FCM	87%	\$382,852.21	No	Inter-Area
Northeast	070CE	2	307.07	\$1.81	Louisville PDC KY				New Jersey STC NJ	774	FCM	78%	\$382,852.21	No	Inter-Area
Northeast	070FJ	601	255.75	\$2.81	No. NJ LDC				Philadelphia NDC PA	77	Priority Mail	75%	\$51,388.08	No	Inter-Area
Northeast	070FJ	602	255.75	\$2.81	Phila NDC				NY LDC NY	77	Priority Mail	98%	\$51,388.08	No	Inter-Area
Northeast	070J1	1	307.07	\$2.49	New Jersey STC NJ				Philadelphia PDC PA	100	FCM	55%	\$78,480.43	No	Inter-Area
Northeast	070J1	2	307.07	\$2.49	Philadelphia PDC PA	South Jersey PDC NJ			New Jersey STC NJ	100	FCM	94%	\$78,480.43	No	Inter-Area
Northeast	070J1	3	255.75	\$2.49	New Jersey STC NJ				South Jersey PDC NJ	98	FCM	94%	\$58,039.94	No	Inter-Area
Northeast	070J1	4	255.75	\$2.49	South Jersey PDC NJ				New Jersey STC NJ	98	FCM	12%	\$58,039.94	Yes	Inter-Area
Northeast	070J1	5	255.75	\$2.49	South Jersey PDC NJ				Philadelphia PDC PA	100	FCM	100%	\$63,681.75	No	Inter-Area
Northeast	070J1	6	255.75	\$2.49	Philadelphia PDC PA				New Jersey STC NJ	100	FCM	80%	\$63,681.75	No	Inter-Area
Northeast	070J1	7	58.18	\$2.49	New Jersey STC NJ	South Jersey PDC NJ			Philadelphia PDC PA	100	FCM	43%	\$14,486.82	Yes	Inter-Area
Northeast	070J1	8	58.18	\$2.49	Philadelphia PDC PA	South Jersey PDC NJ			New Jersey STC NJ	100	FCM	58%	\$14,486.82	Yes	Inter-Area
Northeast	070J1	9	52.18	\$2.49	New Jersey STC NJ	South Jersey PDC NJ			Philadelphia PDC PA	100	FCM	85%	\$12,982.82	No	Inter-Area
Northeast	070J1	10	52.18	\$2.49	Philadelphia PDC PA	South Jersey PDC NJ			New Jersey STC NJ	100	FCM	87%	\$12,982.82	No	Inter-Area
Northeast	070J1	11	303.07	\$2.49	Queens PDC NY				Philadelphia PDC PA	112	Express Mail	49%	\$94,620.18	Yes	Inter-Area
Northeast	070J1	12	307.07	\$2.49	Phila NDC				Military Annex THS - NJ	74	Military Mail	87%	\$58,580.72	No	Inter-Area
Northeast	010DJ	1	307.07	\$2.01	Springfield LDC MA				New York LDC NY	157	Priority Mail	94%	\$95,802.08	No	Inter-Area
Northeast	010DJ	2	307.07	\$2.01	New York LDC NY				Springfield LDC MA	158	Priority Mail	No Data	\$95,284.87	No	Inter-Area
Northeast	10117	1	52.18	\$2.37	Morgan PDC NY	Syracuse PDC NY			Rochester PDC NY	388	FCM	49%	\$45,509.31	Yes	Inter-Area
Northeast	10117	2	52.18	\$2.37	Rochester LDC NY	Syracuse PDC NY	Binghamton PDF NY		Morgan PDC NY	388	FCM	8%	\$45,509.31	Yes	Inter-Area
Eastern	14414	1	258.89	\$1.47	Rochester PDC NY				Syracuse PDC NY	88	Priority Mail	82%	\$33,870.59	No	Inter-Area
Eastern	14414	2	259.48	\$1.47	Syracuse PDC NY				Rochester PDC NY	88	Priority Mail	67%	\$33,945.15	No	Inter-Area
Eastern	14110	1	255.75	\$1.86	Buffalo PDC NY				Binghamton STC NY	208	FCM	100%	\$87,458.27	Yes	Inter-Cluster
Eastern	14110	2	255.75	\$1.86	Binghamton STC NY				Buffalo PDC NY	208	FCM	81%	\$87,458.27	Yes	Inter-Cluster
Eastern	14110	3	255.75	\$1.86	Buffalo PDC NY				Binghamton STC NY	208	FCM	80%	\$87,458.27	Yes	Inter-Cluster
Eastern	14110	4	255.75	\$1.86	Binghamton STC NY				Buffalo PDC NY	208	FCM	34%	\$87,458.27	Yes	Inter-Cluster
Eastern	14110	5	307.07	\$1.86	Buffalo PDC NY				Binghamton STC NY	208	FCM	30%	\$105,005.88	Yes	Inter-Cluster
Eastern	14110	6	307.07	\$1.86	Binghamton STC NY				Buffalo PDC NY	208	FCM	57%	\$105,005.88	Yes	Inter-Cluster
Eastern	14110	7	52.18	\$1.86	Buffalo PDC NY	Rochester PDC NY			Binghamton STC NY	243	FCM	80%	\$21,048.57	Yes	Inter-Cluster
Eastern	14110	8	52.18	\$1.86	Binghamton STC NY				Buffalo PDC NY	208	FCM	81%	\$17,843.47	Yes	Inter-Cluster
Eastern	14110	15	307.07	\$1.86	Binghamton STC NY				Buffalo PDC NY	208	FCM	28%	\$105,005.88	Yes	Inter-Cluster
Eastern	14110	16	307.07	\$1.86	Buffalo PDC NY				Binghamton STC NY	208	FCM	4%	\$105,005.88	Yes	Inter-Cluster
Eastern	140L7	1	307.07	\$1.82	Buffalo PDC NY	Lansing PDC MI			Grand Rapids Annex MI	392	FCM & Priority Mail	33%	\$219,076.02	Yes	Inter-Area
Eastern	140L7	2	307.07	\$1.82	Grand Rapids Annex MI				Buffalo PDC NY	392	FCM & Priority Mail	39%	\$219,076.02	Yes	Inter-Area





Northeast	010N2	14		\$1.88	Phila Treasury Dept	Hartford PDC CT		New England STC MA	230	FCM	No Data	\$0.00	Yes	Inter-Area
Northeast	010NE	4801	307.07	\$1.87	New England STC MA			Indianapolis STC IN	879	FCM	35%	\$460,767.27	No	Inter-Area
Northeast	010NE	4802	307.07	\$1.87	Indy STC IN			New England STC MA	880	FCM	86%	\$451,270.07	No	Inter-Area
Northeast	010NE	4803	251.46	\$1.87	New England STC MA			Indianapolis STC IN	879	FCM	91%	\$389,125.88	No	Inter-Area
Northeast	010NE	4804	251.46	\$1.87	Indy STC IN			New England STC MA	880	FCM	96%	\$369,546.92	No	Inter-Area
Northeast	011L1	1	307.07	\$1.72	New England STC MA	Cleveland PDC OH	Columbus PDC OH	Citigroup Sears OH	713	FCM	47%	\$378,679.37	Yes	Inter-Area
Northeast	011L1	2	307.07	\$1.72	Citigroup/Sears OH	PSI (Reading PA)	Columbus PDC OH	New England STC MA	715	FCM	42%	\$377,834.89	Yes	Inter-Area
Northeast	030HJ	1	303.07	\$1.83	Nashua LDC NH	Springfield MA LDC		Cleveland PDC OH	684	Priority Mail	31%	\$384,904.89	Yes	Inter-Area
Northeast	030HJ	2	303.07	\$1.83	Cleveland PDC OH	New England STC		Nashua LDC NH	684	FCM & Priority Mail	42%	\$384,904.88	Yes	Inter-Area
Northeast	07023	1	256.75	\$1.78	New Jersey STC NJ			Columbus PDC OH	531	FCM	74%	\$239,013.72	Yes	Inter-Area
Northeast	07023	2	256.75	\$1.78	Columbus PDC OH	NUJ LDC		New Jersey STC NJ	538	FCM & Priority Mail	74%	\$242,164.58	Yes	Inter-Area
Northeast	07023	3	256.75	\$1.78	New Jersey STC NJ			Columbus PDC OH	531	FCM	58%	\$239,013.72	Yes	Inter-Area
Northeast	07023	4	256.75	\$1.78	Columbus PDC OH			New Jersey STC NJ	531	FCM	65%	\$239,013.72	No	Inter-Area
Northeast	07023	5	52.18	\$1.78	New Jersey STC NJ			Columbus PDC OH	531	FCM	82%	\$48,785.34	No	Inter-Area
Northeast	07023	8	52.18	\$1.78	Columbus PDC OH			New Jersey STC NJ	531	FCM	81%	\$48,785.34	No	Inter-Area
Northeast	07026	1	251.46	\$2.08	New Jersey STC NJ			Binghamton STC NY	174	FCM	39%	\$81,008.40	Yes	Inter-Area
Northeast	07026	2	251.46	\$2.08	Binghamton STC NY			New Jersey STC NJ	174	FCM	61%	\$81,008.40	Yes	Inter-Area
Northeast	07026	3	307.07	\$2.08	New Jersey STC NJ			Binghamton STC NY	174	FCM	48%	\$111,154.77	Yes	Inter-Area
Northeast	07026	4	307.07	\$2.08	Binghamton STC NY			New Jersey STC NJ	174	FCM	38%	\$111,154.77	Yes	Inter-Area
Northeast	077L0	1	256.68	\$2.14	Morrmouth PDC NJ			Northern NJ PDC	55	FCM	12%	\$30,079.41	Yes	Intra-PDC
Northeast	077L0	2	256.75	\$2.14	Northern NJ PDC			Morrmouth PDC NJ	55	FCM	6%	\$30,101.78	Yes	Intra-PDC
Northeast	080BE	4801	307.07	\$1.88	South Jersey PDC NJ	Southeastern PDC PA		Indianapolis STC IN	689	FCM	75%	\$402,642.47	No	Inter-Area
Northeast	080BE	4802	307.07	\$1.88	Indy STC IN	Southeastern PDC PA		South Jersey PDC NJ	689	FCM	60%	\$402,642.47	No	Inter-Area
Northeast	10218	801	311.07	\$2.19	NJ NDC			FPO Norfolk VA	345	Military Mail	35%	\$235,028.94	Yes	Inter-Area
Northeast	10218	802	311.07	\$2.19	Norfolk PDC VA	Military Annex NJ	NUJ LDC	New Jersey NDC NJ	365	Military Mail	38%	\$245,653.80	Yes	Inter-Area
Northeast	10420	1	307.07	\$1.74	New Jersey STC NJ			St. Louis PDC MO	921	FCM	83%	\$492,081.96	No	Inter-Area
Northeast	10420	2	307.07	\$1.74	St. Louis PDC MO			New Jersey STC NJ	921	FCM	48%	\$518,807.05	No	Inter-Area
Northeast	10420	803	303.07	\$1.74	NJ NDC			St. Louis NDC MO	876	Standard & Periodical	83%	\$514,168.28	No	Inter-Area
Northeast	10420	804	52.18	\$1.74	St. Louis NDC			New Jersey NDC NJ	875	Standard & Periodical	100%	\$89,523.37	No	Inter-Area
Northeast	10420	805	383.25	\$1.74	NJ NDC			St. Louis NDC MO	875	Standard & Periodical	54%	\$616,255.83	No	Inter-Area
Northeast	10420	808	186.42	\$1.74	St. Louis NDC	Pinney Bowes		New Jersey NDC NJ	983	Spare Parts	0%	\$334,250.28	No	Inter-Area
Northeast	030GJ	1	251.46	\$1.78	Nashua LDC NH			NUJ LDC NJ	241	Priority Mail	100%	\$108,659.27	No	Inter-Area
Northeast	030GJ	2	251.46	\$1.78	No NJ LDC			Nashua LDC NH	241	Priority Mail	99%	\$108,659.27	No	Inter-Area
Northeast	030GJ	4	307.07	\$1.78	Nashua LDC NH			NUJ LDC NJ	241	Priority Mail	100%	\$130,248.81	No	Inter-Area
Northeast	030GJ	6	303.07	\$1.78	No NJ LDC			Nashua LDC NH	241	Priority Mail	93%	\$130,248.81	No	Inter-Area
Northeast	030GJ	8	303.07	\$1.78	Nashua LDC NH			NUJ LDC NJ	241	Priority Mail	100%	\$128,550.17	Yes	Inter-Area
Northeast	030GJ	9	303.07	\$1.78	No NJ LDC			Nashua LDC NH	241	Priority Mail	48%	\$128,550.17	Yes	Inter-Area
Northeast	10426	4801	52.18	\$1.77	New York LDC NY			Indianapolis STC IN	779	FCM	95%	\$96,825.69	No	Inter-Area
Northeast	10426	4802	52.18	\$1.77	Indy STC IN	Military Annex NJ		New Jersey STC NJ	766	FCM & Military Mail	95%	\$70,854.33	No	Inter-Area
Northeast	10426	4803	307.07	\$1.77	New Jersey STC NJ			Indianapolis PDC IN	712	FCM	80%	\$386,981.80	No	Inter-Area
Northeast	10426	4804	307.07	\$1.77	Indianapolis AAC	Indianapolis P1 MPA IN		New Jersey STC NJ	724	FCM & Priority Mail	80%	\$383,504.06	No	Inter-Area
Northeast	10426	4805	307.07	\$1.77	New Jersey STC NJ			Indianapolis STC IN	723	FCM	61%	\$382,980.55	No	Inter-Area
Northeast	10426	4806	307.07	\$1.77	Indy STC IN			New Jersey STC NJ	723	FCM	83%	\$382,980.55	No	Inter-Area
Northeast	10426	4807	307.07	\$1.77	New Jersey STC NJ			Indianapolis STC IN	723	FCM	59%	\$382,980.55	No	Inter-Area
Northeast	10426	4808	307.07	\$1.77	Indy STC IN			New Jersey STC NJ	723	FCM	30%	\$382,980.55	No	Inter-Area
Northeast	10426	4809	307.07	\$1.77	Mid-Island PDC NY	New York LDC NY		Indianapolis STC IN	787	FCM	69%	\$427,745.44	No	Inter-Area
Northeast	10426	4810	307.07	\$1.77	Indy STC IN	New Jersey STC NJ		Mid-Island PDC NY	772	FCM	54%	\$418,592.73	No	Inter-Area
Northeast	10426	4811	256.75	\$1.77	New Jersey STC NJ			Indianapolis STC IN	723	FCM	72%	\$327,285.93	No	Inter-Area
Northeast	10426	4812	256.75	\$1.77	Indy STC IN	Military Annex NJ		NUJ LDC NJ	768	FCM & Military Mail	53%	\$343,129.55	No	Inter-Area
Northeast	104FE	1	307.07	\$1.75	New Jersey STC NJ	Raleigh PDC NC		Greensboro PDC NC	577	FCM	46%	\$310,083.93	No	Inter-Area
Northeast	104FE	2	307.07	\$1.75	Greensboro PDC NC	Raleigh PDC NC		New Jersey STC NJ	577	FCM	78%	\$310,083.93	No	Inter-Area
Northeast	104FE	3	307.07	\$1.75	New York LDC NY	NUJ LDC	Raleigh PDC NC	Greensboro PDC NC	632	FCM & Priority Mail	86%	\$339,619.42	No	Inter-Area
Northeast	104FE	4	307.07	\$1.75	Greensboro PDC NC	Raleigh PDC NC	NUJ LDC	New Jersey STC NJ	632	FCM & Priority Mail	84%	\$339,619.42	No	Inter-Area
Northeast	104FE	5	313.07	\$1.75	JFK ISC NY	New Jersey STC NJ	Raleigh PDC NC	Greensboro PDC NC	811	FCM	40.8	\$334,760.10	No	Inter-Area
Northeast	104FE	6	313.07	\$1.75	Greensboro PDC NC	Raleigh PDC NC	New Jersey STC NJ	JFK ISC NY	811	FCM & Registered Mail	24%	\$334,760.10	No	Inter-Area
Northeast	104L0	1	256.75	\$1.93	New Jersey STC NJ			Cincinnati PDC OH	823	FCM	87%	\$307,611.24	No	Inter-Area
Northeast	104L0	2	256.75	\$1.93	Cincinnati PDC OH			New Jersey STC NJ	823	FCM	86%	\$307,611.24	No	Inter-Area
Northeast	104L0	3	256.75	\$1.93	New Jersey STC NJ			Cincinnati PDC OH	823	FCM	27%	\$307,611.24	No	Inter-Area
Northeast	104L0	4	256.75	\$1.93	Cincinnati PDC OH			New Jersey STC NJ	823	FCM	89%	\$307,611.24	No	Inter-Area
Northeast	104L0	5	52.18	\$1.93	New York LDC NY	NUJ LDC		Cincinnati PDC OH	874	Priority Mail	90%	\$67,876.79	No	Inter-Area
Northeast	104L0	6	52.18	\$1.93	Cincinnati PDC OH			New Jersey STC NJ	823	FCM	61%	\$82,740.71	No	Inter-Area
Northeast	104L0	7	52.18	\$1.93	New Jersey STC NJ			Cincinnati PDC OH	823	FCM	82%	\$82,740.71	No	Inter-Area
Northeast	104L0	8	52.18	\$1.93	Cincinnati PDC OH			New Jersey STC NJ	723	FCM	100%	\$72,611.45	No	Inter-Area
Northeast	11433	1	309.07	\$2.03	Queens PDC NY			Binghamton STC NY	184	FCM	57%	\$121,717.96	Yes	Inter-Area
Northeast	11433	2	309.07	\$2.03	Binghamton STC NY			JFK ISC NY	184	FCM	64%	\$121,717.96	Yes	Inter-Area
Northeast	117L1	1	203.28	\$1.93	New York LDC NY	NUJ LDC		Cincinnati NDC OH	889	Priority Mail	23%	\$270,315.85	Yes	Inter-Area
Northeast	117L1	2	203.28	\$1.93	Cincinnati NDC OH	NUJ LDC		New York LDC NY	889	Priority Mail	70%	\$270,315.85	No	Inter-Area
Northeast	117L1	3	203.28	\$1.93	New York LDC NY	NUJ LDC		Cincinnati NDC OH	889	Priority Mail	38%	\$270,315.85	No	Inter-Area
Northeast	117L1	4	203.28	\$1.93	Cincinnati NDC OH	NUJ LDC		New York LDC NY	889	Priority Mail	40%	\$270,315.85	Yes	Inter-Area
Northeast	117L1	6	307.07	\$1.93	New York LDC NY	NUJ LDC		Louisville PDC KY	800	Priority Mail	45%	\$474,118.08	Yes	Inter-Area
Northeast	117L1	8	307.07	\$1.93	Louisville PDC KY	NUJ LDC		New York LDC NY	800	FCM & Priority Mail	70%	\$474,118.08	No	Inter-Area
Northeast	117L2	1	266.75	\$1.60	New York LDC NY			Indianapolis P1 MPA IN	745	Priority Mail	58%	\$304,854.00	No	Inter-Area
Northeast	117L2	2	266.75	\$1.60	Indianapolis P1 MPA IN			New York LDC NY	764	Priority Mail	60%	\$308,536.80	No	Inter-Area
Northeast	117L2	3	266.75	\$1.60	No NJ LDC			Indianapolis P1 MPA IN	712	Priority Mail	38%	\$281,350.40	No	Inter-Area
Northeast	117L2	4	266.75	\$1.60	Indianapolis P1 MPA IN			NUJ LDC NJ	712	Priority Mail	100%	\$281,350.40	No	Inter-Area











Eastern	162CE	801	307.07	\$1.83	Pittsburgh LDC PA					Kansas City PDC MO	867	FCM & Priority Mail	38%	\$428,949.15	No	Inter-Area
Eastern	162CE	902	307.07	\$1.83	Kansas City PDC MO					Pittsburgh LDC PA	867	FCM & Priority Mail	80%	\$428,949.15	No	Inter-Area
Eastern	162L1	1	307.07	\$1.71	Pittsburgh LDC PA					JFK ISC NY	405	International	34%	\$212,981.33	Yes	Inter-Area
Eastern	162L1	2	307.07	\$1.71	Registry Division					Registered LDC PA	408	Registered Mail	6%	\$214,239.60	Yes	Inter-Area
Eastern	170A0	1	307.07	\$1.85	Harrisburg PDC PA					Indianapolis STC IN	654	FCM	82%	\$314,716.04	No	Inter-Area
Eastern	170A0	2	307.07	\$1.85	Indianapolis PDC IN					Harrisburg PA	653	FCM	81%	\$314,147.98	No	Inter-Area
Eastern	170A0	4481	307.07	\$1.85	Harrisburg PDC PA					Indianapolis STC IN	647	FCM	94%	\$310,739.49	No	Inter-Area
Eastern	170A0	4802	307.07	\$1.85	Indianapolis STC IN					Harrisburg PA	647	FCM	96%	\$310,739.49	No	Inter-Area
Eastern	170AE	1	308.07	\$1.82	Harrisburg PDC PA					Orlando PDC FL	973	FCM & Priority Mail	90%	\$487,174.88	No	Inter-Area
Eastern	170AE	2	308.07	\$1.82	Orlando PDC FL					Harrisburg PA	970	FCM	87%	\$485,872.60	No	Inter-Area
Eastern	170AY	1	307.07	\$1.93	Harrisburg PDC PA					Binghamton STC NY	178	FCM	79%	\$104,305.54	Yes	Inter-Area
Eastern	170AY	2	307.07	\$1.93	Binghamton STC NY					Harrisburg PA	178	FCM	37%	\$104,305.54	Yes	Inter-Area
Eastern	170P2	3001	307.07	\$1.87	Harrisburg PDC PA					Atlanta STC GA	716	FCM	82%	\$387,189.74	No	Inter-Area
Eastern	170P2	3002	307.07	\$1.87	Atlanta STC GA					Harrisburg PA	716	FCM	78%	\$387,189.74	No	Inter-Area
Eastern	170P2	3003	266.76	\$1.87	Harrisburg PDC PA					Atlanta STC GA	716	FCM	23%	\$305,805.39	Yes	Inter-Area
Eastern	170P2	3004	266.76	\$1.87	Atlanta STC GA					Harrisburg PA	716	FCM	51%	\$305,805.39	No	Inter-Area
Eastern	170P2	3005	307.07	\$1.87	Harrisburg PDC PA					Atlanta STC GA	716	FCM	79%	\$387,189.74	No	Inter-Area
Eastern	170P2	3006	307.07	\$1.87	Atlanta STC GA					Harrisburg PA	716	FCM	25%	\$387,189.74	Yes	Inter-Area
Eastern	170P3	1	256.76	\$1.98	Harrisburg PDC PA					Kansas City PDC MO	1029	FCM & Priority Mail	49%	\$621,070.17	No	Inter-Area
Eastern	170P3	2	256.76	\$1.98	Kansas City PDC MO					Harrisburg PA	1038	FCM & Priority Mail	88%	\$628,134.02	No	Inter-Area
Eastern	170P5	1	308.07	\$1.95	Harrisburg PDC PA					New Jersey STC NJ	186	FCM	94%	\$99,443.27	No	Inter-Area
Eastern	170P6	2	308.07	\$1.95	New Jersey STC NJ					Harrisburg PA	183	FCM	74%	\$110,291.63	No	Inter-Area
Eastern	170P6	5	303.07	\$1.95	Harrisburg PDC PA					JFK ISC NY	187	FCM	83%	\$118,424.34	No	Inter-Area
Eastern	170P6	6	303.07	\$1.95	Queens PDC NY					Reading PDC PA	213	FCM	18%	\$125,880.12	No	Inter-Area
Eastern	170P6	7	361.26	\$1.95	Harrisburg PDC PA					New Jersey STC NJ	180	FCM	53%	\$128,798.75	No	Inter-Area
Eastern	170P6	8	361.26	\$1.95	New Jersey STC NJ					Harrisburg PA	186	FCM	33%	\$130,320.94	No	Inter-Area
Eastern	170P6	11	303.07	\$1.95	Harrisburg PDC PA					Queens PDC NY	184	Express Mail	12%	\$108,741.52	Yes	Inter-Area
Eastern	170P6	12	303.07	\$1.95	Queens PDC NY					Harrisburg PA	184	FCM	6%	\$108,741.52	Yes	Inter-Area
Eastern	170P6	19	1	\$1.95	Harrisburg PDC PA					Various Points	180	FCM	No Data	\$351.00	No	Inter-Area
Eastern	170P6	20	1	\$1.95	Various Points					Harrisburg PDC PA	180	FCM	No Data	\$351.00	No	Inter-Area
Eastern	170V1	1	307.07	\$3.80	Harrisburg PDC PA					Denver PDC CO	1847	FCM	92%	\$404,686.43	Yes	Inter-Area
Eastern	170V1	2	307.07	\$3.80	Denver PDC CO					Harrisburg PA	1847	FCM	89%	\$404,686.43	Yes	Inter-Area
Eastern	17110	1	313.07	\$1.68	Harrisburg PDC PA					Michigan Metroplex PDC MI	608	FCM	28%	\$284,006.67	Yes	Inter-Area
Eastern	17110	2	313.07	\$1.68	Michigan Metroplex PDC MI					Harrisburg PA	608	FCM	11%	\$264,006.67	Yes	Inter-Area
Eastern	17110	3	266.76	\$1.88	Harrisburg PDC PA					Michigan Metroplex PDC MI	608	FCM	49%	\$215,868.86	No	Inter-Area
Eastern	17110	4	266.76	\$1.88	Michigan Metroplex PDC MI					Harrisburg PA	608	FCM	65%	\$215,868.86	No	Inter-Area
Eastern	192MJ	601	307.07	\$1.84	Philadelphia NDC PA					Chicago Metro Surf Hub	782	Priority Mail	87%	\$447,498.97	No	Inter-Area
Eastern	192MJ	602	307.07	\$1.84	Chicago Metro Surf Hub					Philadelphia NDC PA	782	Priority Mail	99%	\$447,498.97	No	Inter-Area
Eastern	192MJ	603	307.07	\$1.84	Philadelphia NDC PA					Milwaukee MPA WI	862	Priority Mail	46%	\$481,397.50	No	Inter-Area
Eastern	192MJ	604	307.07	\$1.84	Milwaukee MPA WI					Philadelphia NDC PA	862	Priority Mail	63%	\$481,397.50	No	Inter-Area
Eastern	192TJ	601	307.07	\$1.87	Philadelphia NDC PA					Nashua LDC NH	321	Priority Mail	94%	\$164,611.01	No	Inter-Area
Eastern	192TJ	602	307.07	\$1.87	Nashua LDC NH					South Jersey PDC NJ	368	Priority Mail	99%	\$182,659.26	No	Inter-Area
Eastern	192UJ	601	307.07	\$1.98	Philadelphia NDC PA					NY LDC NJ	104	Priority Mail	41%	\$82,693.15	No	Inter-Area
Eastern	192UJ	602	307.07	\$1.98	NY LDC NJ					Philadelphia NDC PA	78	Priority Mail	82%	\$45,741.15	No	Inter-Area
Eastern	192UJ	603	307.07	\$1.98	Philadelphia NDC PA					NY LDC NJ	147	Priority Mail	0%	\$88,473.01	Yes	Inter-Area
Eastern	192UJ	604	307.07	\$1.98	NY LDC NJ					Philadelphia NDC PA	78	Priority Mail	12%	\$45,741.15	Yes	Inter-Area
Eastern	192Y1	1	307.07	\$1.80	Philadelphia NDC PA					Detroit PDC MI	664	FCM & Priority Mail	71%	\$361,482.80	No	Inter-Area
Eastern	192Y1	2	307.07	\$1.80	Detroit PDC MI					Philadelphia NDC PA	664	FCM & Priority Mail	60%	\$361,482.80	No	Inter-Area
Eastern	192Y1	601	307.07	\$1.80	Philadelphia NDC PA					Detroit PDC MI	687	Priority Mail	70%	\$324,450.16	No	Inter-Area
Eastern	192Y1	602	307.07	\$1.80	Detroit Priority Center MI					Philadelphia NDC PA	687	Priority Mail	87%	\$324,450.16	No	Inter-Area
Eastern	192Y6	1	313.07	\$1.89	Philadelphia NDC PA					Cincinnati NDC OH	626	FCM & Priority Mail	70%	\$380,003.82	No	Inter-Cluster
Eastern	192Y6	2	313.07	\$1.89	Cincinnati NDC OH					Philadelphia NDC PA	626	FCM & Priority Mail	56%	\$380,003.82	No	Inter-Cluster
Eastern	192Y6	3	62.18	\$1.89	Philadelphia NDC PA					Cincinnati PDC OH	688	FCM	4%	\$68,772.42	Yes	Inter-Cluster
Eastern	192Y6	4	62.18	\$1.89	Cincinnati PDC OH					Philadelphia PDC PA	688	FCM	26%	\$68,772.42	Yes	Inter-Cluster
Eastern	192Y6	5	266.76	\$1.89	Philadelphia NDC PA					Harrisburg PA	736	FCM & Priority Mail	94%	\$374,581.68	No	Inter-Cluster
Eastern	192Y6	6	266.76	\$1.89	Louisville Apt Annex KY					Louisville PDC KY	736	FCM & Priority Mail	93%	\$373,583.80	No	Inter-Cluster
Eastern	194M4	1	307.07	\$2.37	South Jersey PDC NJ					Louisville PDC KY	103	FCM	-27%	\$74,958.88	Yes	Inter-Area
Eastern	194M4	2	307.07	\$2.37	New Jersey STC NJ					New Jersey STC NJ	103	FCM	63%	\$74,958.88	Yes	Inter-Area
Eastern	192M4	3	307.07	\$2.37	Southeastern PDC PA					Southeastern PDC PA	103	FCM	25%	\$74,958.88	Yes	Inter-Area
Eastern	192M4	4	307.07	\$2.37	New Jersey STC NJ					New Jersey STC NJ	103	FCM	31%	\$74,958.88	Yes	Inter-Area
Eastern	192M4	5	307.07	\$2.37	PSI (Reading PA) PA					New Jersey STC NJ	148	FCM	36%	\$107,707.87	Yes	Inter-Area
Eastern	171L2	1	307.07	\$1.87	Harrisburg PDC PA					Roanoke PDC VA	380	FCM & Priority Mail	18%	\$188,984.69	No	Inter-Area
Eastern	171L2	2	307.07	\$1.87	Greensboro PDC NC					Roanoke PDC VA	380	FCM & Priority Mail	71%	\$188,984.69	No	Inter-Area
Eastern	18016	1	303.07	\$2.54	Lehigh Valley PDC PA					Harrisburg PA	111	Express Mail	51%	\$85,447.58	No	Inter-Area
Eastern	18016	2	303.07	\$2.54	Queens PDC NY					Lehigh Valley PDC PA	111	Express Mail	14%	\$85,447.58	Yes	Inter-Area
Eastern	18016	3	307.07	\$2.54	Lehigh Valley PDC PA					New Jersey STC NJ	83	FCM	88%	\$64,738.50	No	Inter-Area
Eastern	18016	4	307.07	\$2.54	New Jersey STC NJ					Lehigh Valley PDC PA	83	FCM	62%	\$64,738.50	No	Inter-Area
Eastern	180AE	1	307.07	\$1.87	Lehigh Valley PDC PA					Harrisburg PA	578	FCM & Priority Mail	74%	\$295,376.77	No	Inter-Area
Eastern	180AE	2	307.07	\$1.87	Charlotte LDC NC					Roanoke PDC VA	583	FCM & Priority Mail	86%	\$268,966.42	No	Inter-Area
Eastern	19025	1	307.07	\$1.40	Philadelphia PDC PA					Harrisburg PA	1164	FCM	72%	\$496,102.29	No	Inter-Area
Eastern	19025	2	307.07	\$1.40	Kansas City PDC MO					St. Louis PDC MO	1164	FCM	73%	\$496,102.29	No	Inter-Area
Eastern	190L2	601	307.07	\$1.99	Philadelphia NDC PA					Kansas City PDC MO	682	Priority Mail	70%	\$404,527.88	No	Inter-Area
Eastern	190L2	602	307.07	\$1.99	Indianapolis P1 MPA IN					Indianapolis PDC PA	672	Priority Mail	72%	\$410,638.57	No	Inter-Area
Eastern	190L2	4801	256.76	\$1.89	Philadelphia PDC PA					Indianapolis STC IN	682	FCM	94%	\$338,819.94	No	Inter-Area
Eastern	190L2	4802	266.76	\$1.89	Indianapolis STC IN					Philadelphia PDC PA	682	FCM	98%	\$338,819.94	No	Inter-Area

Eastern	190L2	4603	255.75	\$1.99	Philadelphia PDC PA	Harrisburg PA			Indianapolis STC IN	862	FCM	70%	\$338,819.94	No	Inter-Area
Eastern	190L2	4604	255.75	\$1.99	Indianapolis STC IN				Philadelphia PDC PA	662	FCM	21%	\$338,819.94	No	Inter-Area
Eastern	190L2	4605	52.18	\$1.99	Philadelphia PDC PA				Indianapolis STC IN	668	FCM	85%	\$89,383.92	No	Inter-Area
Eastern	190L2	4606	52.18	\$1.99	Indianapolis STC IN				Philadelphia PDC PA	862	FCM	65%	\$89,740.89	No	Inter-Area
Eastern	190L4	1	309.07	\$2.11	Philadelphia PDC PA				Birmingham STC NY	197	FCM	58%	\$128,471.13	Yes	Inter-Area
Eastern	190L4	2	309.07	\$2.11	Birmingham STC NY				Philadelphia PDC PA	228	FCM	33%	\$148,687.40	Yes	Inter-Area
Eastern	19214	601	307.07	\$2.14	Philadelphia NDC PA				Springfield LDC MA	243	Priority Mail	78%	\$169,892.54	No	Intra-BMC
Eastern	19214	602	307.07	\$2.14	Springfield LDC MA				Philadelphia NDC PA	287	Priority Mail	98%	\$175,453.68	No	Intra-BMC
Eastern	19218	601	306.93	\$1.85	Philadelphia PDC PA				SWA STC TX	1482	FCM	77%	\$841,508.98	Yes	Intra-BMC
Eastern	19218	602	306.93	\$1.85	SW STC TX				Philadelphia PDC PA	1483	FCM	69%	\$842,077.80	Yes	Intra-BMC
Eastern	19218	603	51.81	\$1.92	Philadelphia PDC PA				SWA STC TX	1483	FCM	93%	\$141,684.82	Yes	Intra-BMC
Eastern	19219	605	365.25	\$1.82	Philadelphia PDC PA				Jacksonville NDC FL	872	FCM & Priority Mail	33%	\$611,518.18	Yes	Inter-Area
Eastern	19219	608	365.25	\$1.82	Jacksonville NDC FL				Philadelphia PDC PA	1014	FCM & Priority Mail	28%	\$711,087.82	Yes	Inter-Area
Eastern	192EJ	601	307.07	\$1.68	Philadelphia NDC PA				Roanoke PDC VA	399	Priority Mail	41%	\$205,835.16	Yes	Inter-Cluster
Eastern	192EJ	602	307.07	\$1.68	Roanoke PDC VA				Philadelphia PDC PA	399	Priority Mail	20%	\$205,835.16	Yes	Inter-Cluster
Eastern	197AT	1	309.07	\$1.73	Delaware PDC VA				South Jersey PDC NJ	229	FCM	35%	\$122,444.28	Yes	Inter-Area
Eastern	197AT	2	309.07	\$1.73	Birmingham STC NY				Delaware PDC DE	228	FCM	43%	\$122,444.28	Yes	Inter-Area
Eastern	197JE	1	307.07	\$2.41	South Jersey PDC NJ				New Jersey STC NJ	88	FCM	87%	\$65,123.41	No	Inter-Area
Eastern	197JE	2	307.07	\$2.41	New Jersey STC NJ				Delaware PDC DE	150	FCM	72%	\$111,006.81	No	Inter-Area
Eastern	197L1	1	309.07	\$1.76	Delaware PDC VA				South Jersey PDC NJ	274	FCM	83%	\$148,045.92	No	Inter-Area
Eastern	197L1	2	309.07	\$1.76	New England STC				Delaware PDC DE	277	FCM	69%	\$150,677.81	No	Inter-Area
Eastern	240EE	601	307.07	\$1.72	Roanoke PDC VA				New England STC MA	606	FCM	65%	\$320,065.20	Yes	Inter-Area
Eastern	240EE	602	307.07	\$1.72	Springfield LDC MA				Roanoke PDC VA	612	FCM & Priority Mail	32%	\$323,234.18	Yes	Inter-Area
Eastern	240EE	603	261.48	\$1.72	Roanoke PDC VA				New York LDC NY	552	Priority Mail	67%	\$239,748.18	Yes	Inter-Area
Eastern	240EE	604	261.48	\$1.72	NY LDC NY				Roanoke PDC VA	530	Priority Mail	63%	\$229,230.94	Yes	Inter-Area
Eastern	240EE	605	51.81	\$1.72	Roanoke PDC VA				NY LDC NY	501	FCM & Priority Mail	67%	\$44,473.37	Yes	Inter-Area
Eastern	240EE	606	51.81	\$1.72	NY LDC NY				Roanoke PDC VA	633	FCM & Priority Mail	33%	\$47,313.68	Yes	Inter-Area
Eastern	240EE	607	265.75	\$1.72	Roanoke PDC VA				New Jersey STC NJ	500	FCM	26%	\$219,845.00	Yes	Inter-Area
Eastern	240EE	608	265.75	\$1.72	New Jersey STC NJ				Roanoke PDC VA	458	FCM	63%	\$201,489.82	Yes	Inter-Area
Eastern	24018	3	265.75	\$1.76	Roanoke PDC VA				Capital Metro STC MD	265	FCM & Priority Mail	45%	\$114,128.44	Yes	Inter-Area
Eastern	24018	4	265.75	\$1.76	Capital Metro STC MD				Lynchburg PDF VA	265	FCM & Priority Mail	81%	\$114,128.44	Yes	Inter-Area
Eastern	24018	5	307.07	\$1.75	Roanoke PDC VA				Lynchburg PDF VA	265	FCM & Priority Mail	19%	\$137,029.99	Yes	Inter-Area
Eastern	24018	6	307.07	\$1.75	Capital Metro STC MD				Lynchburg PDF VA	265	FCM & Priority Mail	10%	\$137,029.99	Yes	Inter-Area
Eastern	240AE	4601	307.07	\$1.73	Roanoke PDC VA				Charleston PDC WV	602	FCM	44%	\$288,878.01	No	Inter-Area
Eastern	240AE	4602	307.07	\$1.73	Indianapolis STC IN				Roanoke PDC VA	606	FCM	91%	\$289,271.71	No	Inter-Area
Eastern	240AE	4603	307.07	\$1.73	Charleston WV				Indianapolis STC IN	319	FCM & Priority Mail	39%	\$189,482.72	No	Inter-Area
Eastern	240AE	4604	307.07	\$1.73	Indianapolis STC IN				Charleston PDC WV	330	FCM & Priority Mail	75%	\$175,306.28	No	Inter-Area
Eastern	250JE	3701	307.07	\$1.49	Charleston WV				Southwest STC TN	314	FCM & Priority Mail	41%	\$142,701.67	Yes	Inter-Area
Eastern	250JE	3702	307.07	\$1.49	Southwest STC TN				Charleston PDC WV	314	FCM & Priority Mail	82%	\$142,701.67	Yes	Inter-Area
Eastern	250JE	3703	307.07	\$1.49	Roanoke PDC VA				Southwest STC TN	278	FCM & Priority Mail	36%	\$125,431.95	Yes	Inter-Area
Eastern	250JE	3704	307.07	\$1.49	Southwest STC TN				Roanoke PDC VA	278	FCM & Priority Mail	79%	\$125,431.95	Yes	Inter-Area
Eastern	250M7	1	307.07	\$1.81	Charleston WV				Detroit NDC MI	366	FCM	35%	\$180,944.07	Yes	Inter-Area
Eastern	250M7	2	307.07	\$1.81	Detroit Priority Center MI				Charleston PDC WV	366	Priority Mail	47%	\$180,944.07	Yes	Inter-Area
Eastern	38691	901	260.96	\$1.76	Memphis NDC TN				Baton Rouge PDC LA	379	Standard & Periodical	88%	\$173,584.90	No	Inter-Area
Eastern	38691	902	260.96	\$1.76	Baton Rouge PDC LA				Memphis NDC TN	379	Standard & Periodical	83%	\$173,584.90	No	Inter-Area
Eastern	38691	903	363.25	\$1.76	Memphis NDC TN				Baton Rouge PDC LA	379	Standard & Periodical	91%	\$241,682.98	No	Inter-Area
Eastern	38691	904	363.25	\$1.76	Baton Rouge PDC LA				Memphis NDC TN	378	Standard & Periodical	79%	\$241,682.98	No	Inter-Area
Eastern	38691	907	363.25	\$1.76	Memphis NDC TN				Baton Rouge PDC LA	378	Standard & Periodical	84%	\$241,682.98	No	Inter-Area
Eastern	38691	908	363.25	\$1.76	Baton Rouge PDC LA				Memphis NDC TN	378	Standard & Periodical	12%	\$241,682.98	No	Inter-Area
Eastern	38691	911	363.25	\$1.78	Memphis NDC TN				Baton Rouge PDC LA	378	Standard & Periodical	86%	\$241,682.98	No	Inter-Area
Eastern	38691	912	363.25	\$1.78	Baton Rouge PDC LA				Memphis NDC TN	378	Standard & Periodical	61%	\$241,682.98	No	Inter-Area
Eastern	38691	913	363.25	\$1.78	Memphis NDC TN				Baton Rouge PDC LA	379	Standard & Periodical	85%	\$242,993.52	No	Inter-Area
Eastern	38691	914	363.25	\$1.78	Baton Rouge PDC LA				Memphis NDC TN	378	Standard & Periodical	53%	\$242,993.52	No	Inter-Area
Eastern	38120	3801	307.07	\$1.50	Memphis NDC TN				Kalamazoo PDC MI	825	FCM	48%	\$379,899.13	No	Inter-Area
Eastern	38120	3802	307.07	\$1.50	Michigan Metroplex PDC MI				Detroit PDC MI	825	FCM	75%	\$379,899.13	No	Inter-Area
Eastern	38110	801	313.07	\$1.84	Memphis NDC TN				New Orleans PDC LA	391	Standard & Periodical	76%	\$225,235.08	No	Intra-BMC
Eastern	38110	802	313.07	\$1.84	New Orleans PDC LA				Memphis NDC TN	391	Standard & Periodical	49%	\$225,235.08	No	Intra-BMC
Eastern	38110	803	313.07	\$1.84	Memphis NDC TN				New Orleans PDC LA	407	Standard & Periodical	61%	\$234,451.88	No	Intra-BMC
Eastern	38110	804	313.07	\$1.84	New Orleans PDC LA				Memphis NDC TN	407	Standard & Periodical	63%	\$234,451.88	No	Intra-BMC
Eastern	38110	806	365.25	\$1.84	Memphis NDC TN				New Orleans PDC LA	392	Standard & Periodical	84%	\$283,447.52	Yes	Intra-BMC
Eastern	38110	807	365.25	\$1.84	New Orleans PDC LA				Memphis NDC TN	392	Standard & Periodical	33%	\$283,447.52	Yes	Intra-BMC
Eastern	38110	808	365.25	\$1.84	Memphis NDC TN				New Orleans PDC LA	391	Standard & Periodical	98%	\$282,776.48	Yes	Intra-BMC
Eastern	38110	809	365.25	\$1.84	New Orleans PDC LA				Memphis NDC TN	391	Standard & Periodical	40%	\$282,776.48	Yes	Intra-BMC
Eastern	38110	810	365.25	\$1.84	Memphis NDC TN				New Orleans PDC LA	391	Standard & Periodical	79%	\$282,776.48	No	Intra-BMC
Eastern	38110	810	365.25	\$1.84	New Orleans PDC LA				Memphis NDC TN	391	Standard & Periodical	77%	\$282,776.48	No	Intra-BMC
Eastern	38110	3801	307.07	\$1.84	Memphis STC TN				New Orleans PDC LA	387	FCM	95%	\$218,659.41	No	Intra-BMC
Eastern	38110	3804	307.07	\$1.84	New Orleans PDC LA				Memphis STC TN	387	FCM	75%	\$218,659.41	No	Intra-BMC
Eastern	38110	3803	307.07	\$1.84	Memphis STC TN				New Orleans PDC LA	387	FCM	82%	\$218,659.41	No	Intra-BMC
Eastern	381AE	3801	307.07	\$1.58	Memphis STC TN				Baton Rouge PDC LA	378	FCM	96%	\$182,424.15	No	Inter-Area
Eastern	381AE	3802	307.07	\$1.58	Baton Rouge PDC LA				Memphis STC TN	376	FCM	76%	\$182,424.15	No	Inter-Area
Eastern	381AE	3803	307.07	\$1.58	Memphis STC TN				Baton Rouge PDC LA	376	FCM	83%	\$182,424.15	No	Inter-Area
Eastern	381AE	3804	307.07	\$1.58	Baton Rouge PDC LA				Memphis STC TN	378	FCM	2%	\$182,424.15	No	Inter-Area
Eastern	381AE	3805	68.18	\$1.58	Memphis STC TN				Baton Rouge PDC LA	450	FCM	82%	\$41,385.98	No	Inter-Area
Eastern	381AE	3806	68.18	\$1.58	Baton Rouge PDC LA				Memphis STC TN	378	FCM	25%	\$34,683.67	No	Inter-Area
Eastern	381AE	3807	255.75	\$1.58	Memphis STC TN				Baton Rouge PDC LA	439	FCM	64%	\$177,393.32	No	Inter-Area

Eastern	381AE	3808	255.75	\$1.58	Lafayette PDC LA			Memphis STC TN	430	FCM	59%	\$173,768.55	No	Inter-Area
Eastern	38110	3801	307.07	\$1.39	Memphis STC TN			Shreveport PDC LA	362	FCM	89%	\$154,511.48	No	Inter-Area
Eastern	38110	3802	307.07	\$1.38	Shreveport PDC LA			Memphis STC TN	382	FCM	38%	\$154,511.48	No	Inter-Area
Eastern	381Y7	3801	256.46	\$1.43	Memphis STC TN			Jackson PDC MS	203	FCM	98%	\$74,167.48	No	Inter-Area
Eastern	381Y7	3802	307.07	\$1.43	Jackson PDC MS			Memphis STC TN	203	FCM	48%	\$59,130.93	No	Inter-Area
Eastern	380N1	3803	52.18	\$1.43	Memphis STC TN			Jackson PDC MS	203	FCM	93%	\$15,147.33	No	Inter-Area
Eastern	380N1	3901	255.75	\$1.86	Atlanta STC GA			Atlanta STC GA	364	FCM	57%	\$154,634.38	No	Inter-Area
Eastern	380N1	3902	255.75	\$1.86	Atlanta STC GA			Memphis STC TN	364	FCM	65%	\$154,634.38	No	Inter-Area
Eastern	380N1	3903	307.07	\$1.86	Atlanta STC TN			Atlanta STC GA	364	FCM & Priority Mail	45%	\$185,543.98	No	Inter-Area
Eastern	380N1	3904	307.07	\$1.86	Atlanta STC GA			Memphis STC TN	364	FCM & Priority Mail	82%	\$185,543.98	No	Inter-Area
Eastern	380N1	3905	52.18	\$1.86	Memphis STC TN			Atlanta STC GA	364	FCM	62%	\$31,529.24	No	Inter-Area
Eastern	380N1	3906	52.18	\$1.86	Atlanta STC GA			Memphis PDC TN	354	FCM	20%	\$31,529.24	No	Inter-Area
Eastern	380ME	3801	307.07	\$1.59	Memphis STC TN			Louisville PDC KY	381	FCM	69%	\$188,019.84	No	Inter-Area
Eastern	380ME	3802	307.07	\$1.59	Louisville PDC KY			Memphis STC TN	361	FCM	89%	\$188,019.84	No	Inter-Area
Eastern	380ME	3803	307.07	\$1.59	Memphis STC TN			Louisville PDC KY	381	FCM	27%	\$188,019.84	No	Inter-Area
Eastern	380ME	3804	307.07	\$1.59	Louisville PDC KY			Memphis STC TN	381	FCM	3%	\$188,019.84	No	Inter-Area
Eastern	380ME	3805	307.07	\$1.59	Memphis STC TN			Louisville PDC KY	381	FCM	38%	\$188,019.84	No	Inter-Area
Eastern	380ME	3806	307.07	\$1.59	Louisville PDC KY	Nashville PDC TN		Memphis STC TN	405	FCM	67%	\$197,737.73	No	Inter-Area
Eastern	380ME	3807	307.07	\$1.59	Memphis STC TN	Lexington PDC KY		Dayton PDC OH	655	FCM	11%	\$270,873.82	Yes	Inter-Area
Eastern	380ME	3808	307.07	\$1.59	Dayton PDC OH	Lexington PDC KY		Memphis STC TN	655	FCM	27%	\$270,873.82	Yes	Inter-Area
Eastern	380ME	3809	307.07	\$1.59	Memphis STC TN			Columbus PDC OH	684	FCM	61%	\$280,016.33	No	Inter-Area
Eastern	380ME	3810	307.07	\$1.59	Columbus PDC OH			Memphis STC TN	684	FCM	80%	\$280,016.33	No	Inter-Area
Eastern	380ME	3811	307.07	\$1.59	Memphis STC TN			Cleveland PDC OH	728	FCM	3%	\$355,439.67	Yes	Inter-Area
Eastern	380ME	3812	307.07	\$1.59	Cleveland PDC OH			Memphis STC TN	728	FCM	43%	\$355,439.67	Yes	Inter-Area
Eastern	380ME	3813	307.07	\$1.59	Memphis STC TN	Cleveland PDC OH		Youngstown PDC OH	799	FCM	24%	\$388,618.58	Yes	Inter-Area
Eastern	380ME	3814	307.07	\$1.59	Youngstown PDC OH	Alton PDC OH	Canton PDC OH	Memphis STC TN	800	FCM	42%	\$380,693.04	Yes	Inter-Area
Eastern	430EE	1	280.89	\$3.38	CigGroup/Sears OH	PSI Group INC OH		New Jersey STC NJ	544	FCM	52%	\$479,703.88	No	Inter-PDC
Eastern	430M3	1	28	\$2.12	Columbus PDC OH	Cincinnati North Annex		Orlando LDC FL	1012	FCM	No Data	\$55,781.44	No	Inter-Area
Eastern	430M3	2	28	\$2.12	Orlando LDC FL	Cincinnati PDC OH		Columbus PDC OH	1012	FCM	No Data	\$55,781.44	No	Inter-Area
Eastern	430M3	3	1	\$2.12	Columbus PDC OH	Cincinnati North Annex	Orlando LDC FL	Miami LDC FL	1259	FCM	No Data	\$2,688.08	No	Inter-Area
Eastern	430M3	6	1	\$2.12	Columbus PDC OH			Jacksonville LDC	1055	FCM	No Data	\$2,235.60	No	Inter-Area
Eastern	430M3	7	30	\$2.12	Columbus PDC OH			Jacksonville LDC	101	FCM	No Data	\$6,423.80	No	Inter-Area
Eastern	430Z8	676	307.07	\$2.07	Columbus PDC OH	Chicago NDC IL		Chicago Metro Surf Hub	388	FCM & Priority Mail	60%	\$26,355.07	No	Inter-Area
Eastern	430Z8	678	307.07	\$2.07	Chicago Metro Surf Hub	Chicago NDC IL	Toledo PDC OH	Columbus PDC OH	409	FCM & Priority Mail	85%	\$259,874.87	No	Inter-Area
Eastern	430Z8	763	354.25	\$2.07	Columbus PDC OH	JT Weaker ISC	Chicago Metro Surf Hub	Chicago NDC IL	401	Mixed	86%	\$302,353.00	No	Inter-Area
Eastern	430Z8	764	354.25	\$2.07	Chicago NDC IL			Columbus PDC OH	371	FCM	74%	\$278,733.07	No	Inter-Area
Eastern	430Z8	791	58.18	\$2.07	Columbus PDC OH			Toledo PDC OH	148	FCM & Priority Mail	52%	\$17,824.02	Yes	Inter-Area
Eastern	430Z8	792	58.18	\$2.07	Toledo PDC OH			Columbus PDC OH	148	FCM & Priority Mail	0%	\$17,824.02	Yes	Inter-Area
Eastern	380M5	3801	307.07	\$1.70	Memphis STC TN			Kansas City PDC MO	632	FCM & Priority Mail	85%	\$277,714.11	No	Inter-Area
Eastern	380M5	3802	307.07	\$1.70	Kansas City PDC MO			Memphis STC TN	632	FCM & Priority Mail	86%	\$277,714.11	No	Inter-Area
Eastern	380M2	1	307.07	\$1.38	Memphis STC TN			Binghamton STC NY	1104	FCM	78%	\$481,047.18	Yes	Inter-Area
Eastern	380M2	2	307.07	\$1.38	Binghamton STC NY			Memphis STC TN	1104	FCM	61%	\$481,047.18	Yes	Inter-Area
Eastern	380M2	3801	307.07	\$1.49	Memphis STC TN			Harrisburg PA	828	FCM	46%	\$424,691.83	No	Inter-Area
Eastern	380M2	3802	307.07	\$1.49	Harrisburg PDC PA			Memphis STC TN	828	FCM	76%	\$424,691.83	No	Inter-Area
Eastern	380M2	3803	307.07	\$1.49	Memphis STC TN			Harrisburg PA	828	FCM	33%	\$424,691.83	No	Inter-Area
Eastern	380M2	3804	307.07	\$1.49	Harrisburg PDC PA			Memphis STC TN	828	FCM	86%	\$424,691.83	No	Inter-Area
Eastern	380A3	3801	255.75	\$1.52	Memphis STC TN			New Jersey STC NJ	1099	FCM	51%	\$427,225.26	No	Inter-Area
Eastern	380A3	3802	255.75	\$1.52	New Jersey STC NJ			Memphis STC TN	1099	FCM	82%	\$427,225.26	No	Inter-Area
Eastern	380A3	3803	385.26	\$1.52	Memphis STC TN	New Jersey STC NJ		Military Annex	1108	FCM & Military Mail	78%	\$614,029.08	No	Inter-Area
Eastern	380A3	3804	313.07	\$1.52	NY LDC NY			Memphis STC TN	1141	Priority Mail	34%	\$542,983.58	No	Inter-Area
Eastern	380A3	3806	58.18	\$1.52	NY LDC NY	NNJ LDC		Memphis STC TN	1151	Priority Mail	84%	\$101,787.07	No	Inter-Area
Eastern	38011	4801	307.07	\$1.53	Memphis STC TN	Indianapolis PDC IN	Indianapolis P1 MPA IN	Indianapolis STC IN	487	FCM & Priority Mail	81%	\$233,499.10	No	Inter-Area
Eastern	38011	4802	307.07	\$1.53	Indianapolis P1 MPA IN	Indianapolis PDC IN		Memphis STC TN	489	FCM & Priority Mail	76%	\$229,740.68	No	Inter-Area
Eastern	38011	4803	307.07	\$1.53	Memphis STC TN			Indianapolis STC IN	470	FCM	87%	\$220,814.04	No	Inter-Area
Eastern	38011	4804	307.07	\$1.53	Indianapolis STC IN			Memphis STC TN	470	FCM	77%	\$220,814.04	No	Inter-Area
Eastern	38011	4805	255.75	\$1.53	Memphis STC TN			Indianapolis STC IN	470	FCM	84%	\$193,809.83	No	Inter-Area
Eastern	38011	4806	255.75	\$1.53	Indianapolis STC IN			Memphis STC TN	470	FCM	83%	\$193,809.83	No	Inter-Area
Eastern	37813	4805	307.07	\$1.48	Knoxville PDC TN			Indianapolis STC IN	383	FCM & Priority Mail	65%	\$162,740.96	No	Inter-Area
Eastern	37813	4806	307.07	\$1.48	Indianapolis STC IN			Knoxville PDC TN	383	FCM & Priority Mail	47%	\$162,740.96	No	Inter-Area
Eastern	37813	4807	307.07	\$1.48	Southeast STC TN			Indianapolis PDC IN	340	FCM & Priority Mail	75%	\$162,428.55	Yes	Inter-Area
Eastern	37813	4804	307.07	\$1.48	Indianapolis PDC IN	Indianapolis P1 MPA IN		Southeast STC TN	351	FCM & Priority Mail	61%	\$167,361.09	Yes	Inter-Area
Eastern	405BE	4801	307.07	\$1.78	Lexington PDC OH			Indianapolis STC IN	195	FCM & Priority Mail	48%	\$108,684.00	No	Inter-Area
Eastern	405BE	4802	307.07	\$1.78	Indianapolis STC IN	Louisville PDC KY		Lexington PDC OH	201	FCM	78%	\$108,883.50	No	Inter-Area
Eastern	405BE	4803	307.07	\$1.78	Lexington PDC OH	Louisville PDC KY		Indianapolis STC IN	201	FCM	19%	\$108,883.50	No	Inter-Area
Eastern	405BE	4804	307.07	\$1.78	Indianapolis STC IN	Louisville PDC KY		Lexington PDC OH	201	FCM	67%	\$108,883.50	No	Inter-Area
Eastern	430Z6	1	307.07	\$1.84	Columbus PDC OH	Detroit NDC MI		Detroit PDC MI	212	FCM & Priority Mail	84%	\$118,781.87	No	Inter-Area
Eastern	430Z6	2	307.07	\$1.84	Detroit PDC MI	Detroit Priority Center MI		Columbus PDC OH	214	FCM & Priority Mail	34%	\$120,811.88	No	Inter-Area
Eastern	377OE	3701	307.07	\$1.81	Southeast STC TN	Lexington PDC KY		Louisville PDC KY	230	FCM & Priority Mail	82%	\$113,708.02	Yes	Inter-Area
Eastern	377OE	3702	307.07	\$1.81	Louisville PDC KY			Southeast STC TN	224	FCM & Priority Mail	91%	\$110,741.72	Yes	Inter-Area
Eastern	377NE	1	255.75	\$1.55	Chattanooga PDC TN	Knoxville PDC TN		Capital Metro STC MD	612	FCM & Priority Mail	92%	\$242,604.46	No	Inter-Cluster
Eastern	377NE	2	307.07	\$1.55	Capital Metro STC MD	Knoxville PDC TN		Chattanooga PDC TN	612	FCM & Priority Mail	83%	\$291,288.60	No	Inter-Cluster
Eastern	377NE	3	307.07	\$1.55	Knoxville PDC TN	Harrisburg PA		Philadelphia NDC PA	686	FCM & Priority Mail	32%	\$316,888.38	No	Inter-Cluster
Eastern	377NE	4	307.07	\$1.55	Philadelphia NDC PA	Harrisburg PA		Knoxville PDC TN	686	FCM & Priority Mail	86%	\$316,888.38	No	Inter-Cluster
Eastern	373AH	3001	307.07	\$1.44	Chattanooga PDC TN			Atlanta STC GA	111	FCM	78%	\$49,082.07	Yes	Inter-Area
Eastern	373AH	3002	307.07	\$1.44	Atlanta STC GA			Chattanooga PDC TN	111	FCM	63%	\$49,082.07	Yes	Inter-Area







Western	500AE	4601	257.46	\$1.84	Des Moines PDC IA			Indianapolis STC IN	473	FCM	85%	\$198,716.87	No	Inter-Area
Western	500AE	4602	267.46	\$1.84	Indianapolis STC IN			Des Moines PDC IA	473	FCM	56%	\$198,716.87	No	Inter-Area
Western	500AE	4603	62.18	\$1.84	Des Moines PDC IA			Indianapolis STC IN	516	FCM	8%	\$44,071.23	No	Inter-Area
Western	500AE	4604	62.18	\$1.84	Indianapolis STC IN			Des Moines PDC IA	516	FCM	38%	\$44,071.23	No	Inter-Area
Western	500AE	4605	307.07	\$1.84	Des Moines PDC IA			Indianapolis STC IN	516	FCM & Priority Mail	84%	\$269,351.32	No	Inter-Area
Western	500AE	4606	307.07	\$1.84	Indianapolis STC IN			Des Moines PDC IA	473	FCM	83%	\$238,200.34	No	Inter-Area
Western	500AE	4607	260.89	\$1.84	Des Moines PDC IA			Indianapolis P1 MPA IN	487	FCM & Priority Mail	3%	\$209,387.83	No	Inter-Area
Western	500AE	4608	260.89	\$1.84	Indianapolis PDC IN			Des Moines PDC IA	487	FCM & Priority Mail	88%	\$209,387.83	No	Inter-Area
Western	500AE	4609	313.07	\$1.84	Des Moines PDC IA			Indianapolis P1 MPA IN	487	FCM & Priority Mail	29%	\$250,042.75	Yes	Inter-Area
Western	500AE	4610	313.07	\$1.84	Indianapolis PDC IN			Indianapolis P1 MPA IN	487	FCM & Priority Mail	48%	\$250,042.75	Yes	Inter-Area
Western	500AE	4621	257.46	\$1.84	Cedar Rapids PDC IA			Indianapolis STC IN	387	FCM	22%	\$153,404.71	No	Inter-Area
Western	500AE	4622	257.46	\$1.84	Indianapolis STC IN			Cedar Rapids PDC IA	382	FCM	45%	\$161,293.54	No	Inter-Area
Western	500AE	4623	307.07	\$1.84	Des Moines PDC IA			Indianapolis STC IN	516	FCM	72%	\$258,351.32	No	Inter-Area
Western	500AE	4624	307.07	\$1.84	Indianapolis STC IN			Cedar Rapids PDC IA	516	FCM	87%	\$258,351.32	No	Inter-Area
Western	500ME	5801	307.07	\$1.44	Des Moines PDC IA			Memphis STC TN	778	FCM	82%	\$343,132.30	No	Inter-Area
Western	500ME	5802	307.07	\$1.44	Memphis STC TN			Cedar Rapids PDC IA	778	FCM & Priority Mail	57%	\$343,132.30	No	Inter-Area
Western	500M2	901	307.07	\$1.43	Des Moines PDC IA			Grand Rapids PDC IA	510	FCM & Priority Mail	40%	\$227,858.14	Yes	Inter-Area
Western	500M2	902	307.07	\$1.43	Grand Rapids Annex MI			Quad Cities PDC IN	600	FCM & Priority Mail	38%	\$219,555.05	Yes	Inter-Area
Western	55222	901	307.07	\$1.87	St. Paul PDC MN			Capital Metro STC MD	1129	FCM	78%	\$578,858.98	No	Inter-BMC
Western	55222	902	307.07	\$1.87	Capital Metro STC MD			St. Paul PDC MN	1129	FCM	63%	\$578,858.98	No	Inter-BMC
Western	55222	903	307.07	\$1.87	St. Paul PDC MN			Pittsburgh LDC PA	858	Priority Mail	75%	\$439,898.32	No	Inter-BMC
Western	55222	904	307.07	\$1.87	Pittsburgh LDC PA			St. Paul PDC MN	872	Priority Mail	45%	\$447,187.82	No	Inter-BMC
Western	55222	906	346.25	\$1.87	St. Paul PDC MN			Fargo PDC ND	868	FCM & Priority Mail	46%	\$628,231.88	No	Inter-BMC
Western	55222	908	313.07	\$1.87	Billings PDC MT			Minneapolis PDC MN	865	Mixed	74%	\$452,245.27	No	Inter-BMC
Western	55222	908	62.18	\$1.87	Billings PDC MT			Miles City MT	846	FCM & Priority Mail	31%	\$73,633.81	No	Inter-BMC
Western	55222	908	366.25	\$1.87	Billings PDC MT			Fargo PDC ND	846	FCM & Priority Mail	31%	\$73,633.81	No	Inter-BMC
Western	55222	900	260.89	\$1.87	Minneapolis NDC MN			Bismarck PDC ND	444	FCM & Priority Mail	78%	\$270,826.57	No	Inter-BMC
Western	55222	810	260.89	\$1.87	Bismarck PDC ND			Minneapolis NDC MN	439	Mixed	88%	\$191,268.28	No	Inter-BMC
Western	55222	812	104.36	\$1.87	Bismarck PDC ND			Fargo PDC ND	439	Mixed	73%	\$76,609.45	No	Inter-BMC
Western	55222	813	366.25	\$1.87	Bismarck PDC ND			Fargo PDC ND	199	FCM & Priority Mail	84%	\$121,383.53	No	Inter-BMC
Western	55222	814	313.07	\$1.87	Fargo PDC ND			Bismarck PDF ND	294	FCM & Priority Mail	45%	\$163,711.11	No	Inter-BMC
Western	55222	818	51.81	\$1.87	Fargo PDC ND			Bismarck PDF ND	195	FCM & Priority Mail	No Data	\$16,806.80	No	Inter-BMC
Western	553AE	4701	256.75	\$1.78	St. Paul PDC MN			Indianapolis STC IN	583	FCM	82%	\$265,402.01	No	Inter-Area
Western	553AE	4704	256.75	\$1.78	Indianapolis STC IN			Minneapolis PDC MN	601	FCM	86%	\$273,598.24	No	Inter-Area
Western	553AE	4705	256.75	\$1.78	St. Paul PDC MN			Indianapolis STC IN	583	FCM	100%	\$285,402.01	No	Inter-Area
Western	553AE	4706	256.75	\$1.78	Indianapolis STC IN			Minneapolis PDC MN	601	FCM	89%	\$273,598.24	No	Inter-Area
Western	553AE	4707	307.07	\$1.78	St. Paul PDC MN			Indianapolis STC IN	583	FCM	89%	\$318,659.82	No	Inter-Area
Western	553AE	4708	307.07	\$1.78	Indianapolis STC IN			Minneapolis PDC MN	601	FCM	84%	\$328,497.34	No	Inter-Area
Western	553AE	4709	307.07	\$1.78	St. Paul PDC MN			Indianapolis STC IN	583	FCM & Priority Mail	31%	\$318,659.82	No	Inter-Area
Western	553AE	4710	307.07	\$1.78	Indianapolis STC IN			Minneapolis PDC MN	601	FCM	73%	\$328,497.34	No	Inter-Area
Western	553AE	4711	62.18	\$1.78	St. Paul PDC MN			Indianapolis STC IN	583	FCM	0%	\$54,148.27	No	Inter-Area
Western	553AE	4712	62.18	\$1.78	Indianapolis STC IN			Minneapolis PDC MN	601	FCM	97%	\$55,921.12	No	Inter-Area
Western	554L0	1	307.07	\$1.90	St. Paul PDC MN			New Jersey STC NJ	1196	FCM	85%	\$897,202.44	Yes	Inter-Area
Western	554L0	2	256.75	\$1.90	New Jersey STC NJ			Minneapolis PDC MN	1214	FCM	58%	\$589,812.25	Yes	Inter-Area
Western	554L0	3	256.75	\$1.90	St. Paul PDC MN			New Jersey STC NJ	1196	FCM	32%	\$680,680.38	Yes	Inter-Area
Western	554L0	4	307.07	\$1.90	New Jersey STC NJ			Minneapolis PDC MN	1214	FCM	82%	\$708,287.68	Yes	Inter-Area
Western	554Y0	5	313.07	\$1.86	St. Paul PDC MN			SWA STC TX	970	FCM	78%	\$581,804.12	No	Inter-Area
Western	554Y0	6	313.07	\$1.86	SWA STC TX			St. Paul PDC MN	970	FCM	68%	\$681,804.12	No	Inter-Area
Western	554Y1	803	307.07	\$1.71	St. Paul PDC MN			Kalamazoo PDC MI	893	FCM	28%	\$383,887.16	Yes	Inter-Area
Western	554Y1	804	307.07	\$1.71	Detroit PDC MI			Minneapolis PDC MN	710	FCM	33%	\$372,813.69	Yes	Inter-Area
Western	554Y1	805	307.07	\$1.71	St. Paul PDC MN			Kalamazoo PDC MI	892	Priority Mail	72%	\$368,111.18	No	Inter-Area
Western	554Y1	806	307.07	\$1.71	Detroit Priority Center MI			Kalamazoo PDC MI	899	Priority Mail	80%	\$387,037.70	No	Inter-Area
Western	554Y2	801	259.48	\$1.82	St. Paul PDC MN			Twin Cities AMC MN	972	Mixed	40%	\$468,895.12	Yes	Inter-BMC
Western	554Y2	802	311.07	\$1.82	Denver PDC CO			Sioux Falls PDC SD	887	FCM & Priority Mail	10%	\$602,172.74	Yes	Inter-BMC
Western	554Y2	803	311.07	\$1.82	Minneapolis NDC MN			Des Moines NDC IA	906	Standard & Periodical	100%	\$512,829.64	Inter-BMC	
Western	554Y2	804	311.07	\$1.82	Denver PDC CO			Rapid City PDC SD	959	FCM & Priority Mail	30%	\$542,935.36	No	Inter-BMC
Western	554Y2	807	52.18	\$1.82	St. Paul PDC MN			Sioux Falls PDC SD	951	FCM & Priority Mail	25%	\$90,314.19	No	Inter-BMC
Western	554Y2	901	307.07	\$1.82	St. Paul PDC MN			Denver PDC CO	906	FCM	-83%	\$506,333.86	No	Inter-BMC
Western	554Y2	902	307.07	\$1.82	Denver PDC CO			Denver Priority Annex CO	933	FCM & Priority Mail	26%	\$521,423.28	No	Inter-BMC
Western	570L0	671	255.75	\$1.75	Sioux Falls PDC SD			Medison PDC WI	824	FCM & Priority Mail	71%	\$278,279.00	No	Inter-Area
Western	570L0	672	255.75	\$1.75	Chicago Metro Surf Hub			Chicago NDC IL	823	FCM & Priority Mail	70%	\$278,831.44	No	Inter-Area
Western	580CE	1	307.07	\$1.32	Indianapolis STC IN			Sioux Falls PDC SD	786	FCM	86%	\$310,484.82	No	Inter-Area
Western	580CE	2	307.07	\$1.32	Sioux Falls PDC SD			Indianapolis STC IN	786	FCM	14%	\$310,484.82	No	Inter-Area
Western	580CE	3	307.07	\$1.32	Indianapolis STC IN			Fargo PDC ND	832	FCM	90%	\$337,236.68	No	Inter-Area
Western	580L1	1	307.07	\$1.32	Fargo PDC ND			Indianapolis STC IN	832	FCM	31%	\$337,236.68	No	Inter-Area
Western	580L1	2	51.81	\$1.29	Fargo PDC ND			Madison PDC WI	578	FCM & Priority Mail	24%	\$38,848.03	Yes	Inter-Area
Western	580L1	3	255.75	\$1.29	Madison PDC WI			Madison PDC WI	578	FCM & Priority Mail	82%	\$229,353.65	No	Inter-Area
Western	580L1	3	307.07	\$1.29	Fargo PDC ND			Fargo PDC ND	581	FCM & Priority Mail	58%	\$191,892.07	No	Inter-Area
Western	840I6	1	307.07	\$1.82	Kansas City PDC MO			St. Louis PDC MO	522	FCM & Priority Mail	78%	\$281,728.78	No	Inter-Area
Western	840I6	2	307.07	\$1.82	Louisville PDC KY			St. Louis PDC MO	522	FCM & Priority Mail	78%	\$281,728.78	No	Inter-Area
Western	840AE	1	307.07	\$1.71	Kansas City PDC MO			Indianapolis PDC IN	500	FCM & Priority Mail	68%	\$282,544.85	No	Inter-Area
Western	840AE	2	307.07	\$1.71	Indianapolis P1 MPA IN			Indianapolis PDC IN	500	FCM & Priority Mail	51%	\$282,544.85	No	Inter-Area
Western	840AE	5601	257.46	\$1.71	Kansas City PDC MO			Indianapolis PDC IN	509	FCM	86%	\$224,080.81	No	Inter-Area
Western	840AE	5602	257.46	\$1.71	Indianapolis STC IN			St. Louis PDC MO	483	FCM	15%	\$217,048.50	No	Inter-Area
Western	840AE	5603	257.46	\$1.71	Kansas City PDC MO			Indianapolis STC IN	490	FCM	100%	\$211,323.17	No	Inter-Area
Western	840AE	5604	257.46	\$1.71	Indianapolis STC IN			Kansas City PDC MO	490	FCM	87%	\$211,323.17	No	Inter-Area

Western	840AE	5605	257.46	\$1.71	Kansas City PDC MO	St. Louis PDC MO		Indianapolis STC IN	493	FCM	78%	\$217,046.50	No	Inter-Area
Western	840AE	5608	257.46	\$1.71	Indianapolis STC IN	St. Louis PDC MO	St. Louis Priority Anx MO	Kansas City PDC MO	487	FCM & Priority Mail	83%	\$219,807.53	No	Inter-Area
Western	840AE	5607	257.48	\$1.71	Kansas City PDC MO	Columbia PDF MO		Indianapolis STC IN	508	FCM & Priority Mail	74%	\$224,090.81	No	Inter-Area
Western	840AE	5608	257.48	\$1.71	Indianapolis STC IN			Kansas City PDC MO	480	FCM	13%	\$211,323.17	Yes	Inter-Area
Western	840AE	5609	51.81	\$1.71	Kansas City PDC MO			Indianapolis STC IN	480	FCM	91%	\$42,381.49	No	Inter-Area
Western	840AE	5610	51.81	\$1.71	Indianapolis STC IN			Kansas City PDC MO	480	FCM	84%	\$42,381.49	No	Inter-Area
Western	840AE	5611	51.81	\$1.71	Kansas City PDC MO			Indianapolis STC IN	480	FCM	10%	\$42,381.49	Yes	Inter-Area
Western	840AE	6612	51.81	\$1.71	Indianapolis STC IN			Kansas City PDC MO	480	FCM	93%	\$42,381.49	Yes	Inter-Area
Western	840CD	1	256.75	\$1.87	Kansas City PDC MO			SWA STC TX	515	FCM & Priority Mail	100%	\$249,300.04	No	Inter-Area
Western	840CD	2	256.75	\$1.87	SWA STC TX			Kansas City PDC MO	515	FCM	38%	\$246,300.04	No	Inter-Area
Western	840CD	3	307.07	\$1.87	Kansas City PDC MO			SWA STC TX	515	FCM & Priority Mail	93%	\$295,733.78	No	Inter-Area
Western	840CD	4	307.07	\$1.87	SWA STC TX			Kansas City PDC MO	515	FCM & Priority Mail	94%	\$295,733.78	No	Inter-Area
Western	840L7	1	307.07	\$1.47	Kansas City PDC MO	Madison PDC WI	Waukegan PDC WI	Waukegan Anx WI	582	FCM & Priority Mail	70%	\$262,710.57	No	Inter-Area
Western	840L7	2	307.07	\$1.47	Waukegan Anx WI	Waukegan PDC WI	Madison PDC WI	Kansas City PDC MO	581	FCM & Priority Mail	58%	\$282,258.27	No	Inter-Area
Western	840M1	901	307.07	\$1.57	Kansas City PDC MO	Detroit NDC MI		Detroit PDC MI	753	FCM & Priority Mail	91%	\$383,021.22	No	Inter-Area
Western	840M1	902	307.07	\$1.57	Detroit PDC MI	Detroit X-Dock Anx MI		Kansas City PDC MO	745	FCM & Priority Mail	84%	\$359,164.43	No	Inter-Area
Western	840M7	1	307.07	\$1.47	Kansas City PDC MO	St. Louis NDC MO		St. Louis PDC MO	261	FCM & Priority Mail	97%	\$113,299.82	No	Inter-Area
Western	840M7	2	307.07	\$1.47	St. Louis PDC MO			Kansas City PDC MO	247	FCM & Priority Mail	8%	\$111,494.05	Yes	Inter-Area
Western	840M7	3	307.07	\$1.47	Kansas City PDC MO	Military Annex NJ	NNJ LDC	New Jersey STC NJ	1206	FCM & Priority Mail	74%	\$544,379.94	Yes	Inter-Area
Western	840L7	4	307.07	\$1.47	New Jersey STC NJ			Kansas City PDC MO	1191	FCM	59%	\$537,809.94	Yes	Inter-Area
Western	840Y0	801	260.89	\$2.00	Kansas City PDC MO	Des Moines NDC IA	Minneapolis PDC MN	St. Paul PDC MN	460	FCM & Priority Mail	82%	\$240,018.90	No	Inter-Area
Western	840Y0	802	260.89	\$2.00	St. Paul PDC MN	Des Moines NDC IA		Kansas City PDC MO	455	FCM & Priority Mail	91%	\$237,409.90	No	Inter-Area
Western	840Y0	803	52.18	\$2.00	Kansas City PDC MO			Minneapolis PDC MN	440	FCM & Priority Mail	56%	\$45,918.40	No	Inter-Area
Western	840Y0	804	52.18	\$2.00	Minneapolis PDC MN			Kansas City PDC MO	440	FCM & Priority Mail	No Data	\$45,918.40	No	Inter-Area
Western	856L6	1	256.48	\$1.38	Springfield PDC MO	St. Louis Priority MO		Indianapolis STC IN	472	FCM & Priority Mail	95%	\$168,566.43	Yes	Inter-Area
Western	856L6	2	256.75	\$1.38	Indianapolis STC IN	St. Louis PDC MO	St. Louis Priority Anx MO	Springfield PDC MO	782	FCM & Priority Mail	60%	\$278,624.62	Yes	Inter-Area
Western	858Y0	801	307.07	\$1.83	Springfield PDC MO			Memphis STC TN	298	FCM & Priority Mail	49%	\$187,467.65	Yes	Inter-Area
Western	858Y0	802	307.07	\$1.83	Memphis STC TN			Springfield PDC MO	298	FCM	15%	\$187,467.65	Yes	Inter-Area
Western	87013	1	307.07	\$1.45	Wichita PDC KS			Oklahoma City PDC OK	168	FCM & Priority Mail	34%	\$74,802.25	No	Inter-Area
Western	87013	2	307.07	\$1.45	Oklahoma City PDC OK			Wichita PDC KS	168	FCM & Priority Mail	82%	\$74,802.25	No	Inter-Area
Western	87013	3	251.48	\$1.45	Wichita PDC KS			Oklahoma City PDC OK	168	FCM & Priority Mail	76%	\$61,255.88	No	Inter-Area
Western	87013	4	251.48	\$1.45	Oklahoma City PDC OK			Wichita PDC KS	168	FCM & Priority Mail	83%	\$61,255.88	No	Inter-Area
Western	870AE	4601	52.18	\$1.53	Wichita PDC KS			Indianapolis STC IN	874	FCM	40%	\$53,809.98	No	Inter-Area
Western	870AE	4602	52.18	\$1.53	Indianapolis STC IN	Kansas City PDC MO		Wichita PDC KS	862	FCM	52%	\$54,447.74	No	Inter-Area
Western	870AE	4603	257.48	\$1.53	Wichita PDC KS			Indianapolis STC IN	874	FCM	77%	\$285,497.80	No	Inter-Area
Western	870AE	4604	257.48	\$1.53	Indianapolis STC IN	Kansas City PDC MO		Wichita PDC KS	863	FCM	96%	\$280,043.13	No	Inter-Area
Western	880CE	1	307.07	\$1.81	Omaha MCC NE	Hatford PDC CT		New England STC MA	1399	FCM	56%	\$891,841.40	Yes	Inter-Area
Western	880CE	2	307.07	\$1.81	New England STC	Hatford PDC CT	St. Louis PDC MO	Omaha PDC NE	1545	FCM	53%	\$783,821.27	Yes	Inter-Area
Western	880FE	1	256.48	\$1.84	Omaha MCC NE			New Jersey STC NJ	1251	FCM	78%	\$524,111.55	No	Inter-Area
Western	880FE	2	256.48	\$1.84	New Jersey NDC NJ	Des Moines NDC IA		Omaha PDC NE	1237	FCM	63%	\$518,248.58	No	Inter-Area
Western	880FE	3	307.07	\$1.64	Omaha PDC NE	Des Moines NDC IA	Military Annex NJ	New Jersey NDC NJ	1247	FCM & Military Mail	No Data	\$827,882.72	No	Inter-Area
Western	880FE	4	307.07	\$1.64	New Jersey NDC NJ	Des Moines NDC IA	NNJ LDC	Omaha PDC NE	1243	Mixed	44%	\$525,888.34	No	Inter-Area
Western	880FE	703	363.25	\$1.64	New Jersey NDC NJ			Des Moines NDC IA	1116	Standard & Periodical	94%	\$684,238.95	No	Inter-Area
Western	880FE	704	363.25	\$1.64	Des Moines NDC IA			New Jersey NDC NJ	1195	Standard & Periodical	78%	\$705,940.05	No	Inter-Area
Western	880L1	1	307.07	\$1.58	Omaha MCC NE	Wichita PDC KS	Oklahoma City PDC OK	SWA STC TX	869	FCM & Priority Mail	65%	\$330,051.12	No	Inter-Area
Western	880L1	2	256.75	\$1.58	SWA STC TX	Wichita PDC KS	Omaha PDC NE	Omaha MCC NE	869	FCM	79%	\$274,880.33	No	Inter-Area
Western	880L1	5	256.75	\$1.58	Omaha MCC NE	Omaha PDC NE		SWA STC TX	872	FCM	98%	\$288,107.84	No	Inter-Area
Western	880L1	4	51.81	\$1.58	SWA STC TX	Wichita PDC KS		Omaha PDC NE	875	FCM	34%	\$54,345.33	No	Inter-Area
Western	880L1	5	256.75	\$1.58	SWA STC TX	Wichita PDC KS		Wichita PDC KS	868	FCM	31%	\$262,622.26	No	Inter-Area
Western	880L1	7	307.07	\$1.58	Omaha MCC NE	Omaha PDC NE	Tulsa PDC OK	SWA STC TX	748	FCM & Priority Mail	54%	\$368,313.84	No	Inter-Area
Western	880L1	8	255.75	\$1.58	SWA STC TX	Oklahoma City PDC OK	Tulsa PDC OK	Omaha MCC NE	748	FCM & Priority Mail	55%	\$298,429.58	No	Inter-Area
Western	880L1	3801	307.07	\$1.58	Omaha MCC NE			Memphis STC TN	859	FCM	94%	\$315,680.24	No	Inter-Area
Western	880L1	3802	307.07	\$1.58	Memphis STC TN	Omaha PDC NE		Omaha MCC NE	859	FCM	12%	\$315,680.24	No	Inter-Area
Western	880L2	1	307.07	\$1.55	Omaha MCC NE	Omaha PDC NE		Atlanta STC GA	995	FCM	89%	\$473,678.71	No	Inter-Area
Western	880L2	2	307.07	\$1.55	Atlanta STC GA			Omaha PDC NE	895	FCM	25%	\$488,618.12	No	Inter-Area
Western	880M2	1	307.07	\$1.53	Omaha PDC NE	Madison PDC WI		Waukegan PDC WI	505	FCM & Priority Mail	55%	\$237,257.84	No	Inter-Area
Western	880M2	2	307.07	\$1.53	Waukegan PDC WI	Madison PDC WI		Omaha PDC NE	527	FCM & Priority Mail	45%	\$247,693.81	No	Inter-Area
Western	880N0	1	307.07	\$1.50	Omaha MCC NE	Omaha PDC NE	Kansas City PDC MO	Charlotte LDC NC	1322	FCM & Priority Mail	75%	\$508,919.81	No	Inter-Area
Western	880N0	2	307.07	\$1.50	Charlotte LDC NC	Greensboro PDC NC	St. Louis PDC MO	Omaha PDC NE	1377	FCM	45%	\$634,253.09	No	Inter-Area
Western	880N8	1	307.07	\$1.74	Omaha MCC NE	Salt Lake City STC UT	No CA STC CA	San Francisco PDC CA	1662	FCM	85%	\$888,009.59	No	Inter-Area
Western	880N8	2	307.07	\$1.74	Omaha MCC NE			So CA STC CA	1641	FCM	86%	\$829,558.07	Yes	Inter-Area
Western	880N8	3	307.07	\$1.74	Omaha MCC NE			So CA STC CA	1641	FCM	47%	\$276,787.81	Yes	Inter-Area
Western	880N8	5	103.22	\$1.74	Omaha MCC NE			So CA STC CA	1541	FCM	100%	\$134,174.25	Yes	Inter-Area
Western	880N8	7	50.04	\$1.74	Omaha MCC NE			So CA STC CA	1541	FCM	100%	\$134,174.25	Yes	Inter-Area
Western	880P0	1	307.07	\$1.68	Omaha MCC NE	Kalamazoo PDC MI	Detroit NDC MI	Nichigan Metroplex PDC MI	782	FCM & Priority Mail	67%	\$379,403.61	No	Inter-Area
Western	880P0	2	256.75	\$1.68	Michigan Metroplex PDC MI	Detroit PDC MI	Detroit X-Dock Anx MI	Omaha MCC NE	786	FCM & Priority Mail	43%	\$317,610.81	No	Inter-Area
Western	880P0	4	51.32	\$1.68	Michigan Metroplex PDC MI	Detroit PDC MI	Detroit X-Dock Anx MI	Omaha PDC NE	771	FCM & Priority Mail	28%	\$82,517.00	No	Inter-Area
Western	880RE	1	307.07	\$1.70	Omaha MCC NE			Indianapolis STC IN	810	FCM	98%	\$318,431.59	No	Inter-Area
Western	880RE	2	307.07	\$1.70	Indianapolis STC IN	Des Moines NDC IA		Omaha PDC NE	595	FCM	40%	\$310,601.31	No	Inter-Area
Western	880RE	4601	256.75	\$1.70	Omaha MCC NE	Omaha PDC NE	Indianapolis PDC IN	Indianapolis STC IN	810	FCM	80%	\$285,212.75	No	Inter-Area
Western	880RE	4602	256.75	\$1.70	Indianapolis STC IN	Kansas City PDC MO		Omaha PDC NE	688	FCM	50%	\$290,428.70	No	Inter-Area
Western	880RE	4603	307.07	\$1.70	Omaha MCC NE	Omaha PDC NE		Indianapolis STC IN	824	FCM	81%	\$328,738.88	No	Inter-Area
Western	880RE	4604	307.07	\$1.70	Indianapolis STC IN			Des Moines NDC IA	695	FCM	74%	\$310,601.31	No	Inter-Area
Western	880RE	4605	307.07	\$1.70	Omaha MCC NE			Indianapolis STC IN	810	FCM	89%	\$318,431.59	No	Inter-Area
Western	880RE	4606	307.07	\$1.70	Indianapolis STC IN	Cedar Rapids PDC IA	Des Moines PDC IA	Omaha PDC NE	638	FCM	63%	\$332,004.08	No	Inter-Area
Western	880RE	4608	307.07	\$1.70	Indianapolis STC IN	Des Moines NDC IA		Omaha PDC NE	595	FCM	47%	\$310,601.31	No	Inter-Area

Western	680RE	4809	307.07	\$1.70	Omaha MCC NE			Indianapolis STC IN	610	FCM	100%	\$318,431.59	No	Intra-Area	
Western	800L2	901	307.07	\$1.83	Denver PDC CO	Denver Priority Annex CO	St. Louis NDC MO	St. Louis PDC MO	847	FCM & Priority Mail	35%	\$476,981.67	No	Intra-Area	
Western	800L2	902	307.07	\$1.83	St. Louis PDC MO	St. Louis Priority MO		Denver NDC CO	847	FCM & Priority Mail	83%	\$476,981.67	No	Intra-Area	
Western	802Y1	895	307.07	\$1.79	Denver PDC CO	Kansas City PDC MO		Atlanta STC GA	1395	FCM	42%	\$788,788.14	Yes	Intra-Area	
Western	802Y1	896	307.07	\$1.79	Atlanta STC GA	Kansas City PDC MO	Denver NDC CO	Denver PDC CO	1398	FCM	64%	\$788,418.11	Yes	Intra-Area	
Western	80214	807	303.07	\$1.78	Denver NDC CO	Denver PDC CO	Cheyenne PDC WY	Casper WY	666	FCM & Priority Mail	86%	\$304,797.60	No	Intra-BMC	
Western	80214	808	303.07	\$1.78	Billings PDC MT	Sheridan WY	Casper WY	Denver NDC CO	666	Mixed	83%	\$304,797.60	No	Intra-BMC	
Western	80214	809	307.07	\$1.78	Denver NDC CO	Cheyenne PDC WY		Billings PDC MT	664	FCM & Priority Mail	64%	\$308,273.71	No	Intra-BMC	
Western	80214	810	358.25	\$1.78	Billings PDC MT	Cheyenne PDC WY	Denver PDC CO	Denver NDC CO	667	FCM & Priority Mail	83%	\$382,676.88	No	Intra-BMC	
Western	80214	811	311.07	\$1.79	Denver NDC CO			Billings PDC MT	650	Standard & Periodical	80%	\$304,637.63	No	Intra-BMC	
Western	80214	812	311.07	\$1.79	Billings PDC MT	Denver NDC CO		Denver NDC CO	672	Standard & Periodical	87%	\$318,719.03	No	Intra-BMC	
Western	80214	813	363.25	\$1.78	Denver NDC CO	Casper WY	Wheatland WY	Cheyenne PDC WY	672	Standard & Periodical	87%	\$318,719.03	No	Intra-BMC	
Western	80214	814	363.25	\$1.78	Billings PDC MT	Casper WY	Sheridan WY	Denver NDC CO	665	Standard & Periodical	88%	\$365,320.83	No	Intra-BMC	
Western	80214	815	52.18	\$1.78	Denver NDC CO	Casper WY		Denver NDC CO	660	Standard & Periodical	82%	\$358,914.82	No	Intra-BMC	
Western	840L3	901	307.07	\$1.60	Salt Lake City STC UT			Billings PDC MT	660	Priority Mail	62%	\$51,094.22	No	Intra-BMC	
Western	840L3	902	307.07	\$1.60	Des Moines NDC IA	Cheyenne PDC WY		Des Moines NDC IA	1064	Priority Mail	22%	\$522,756.87	No	Intra-Area	
Western	840L3	903	307.07	\$1.60	Salt Lake City STC UT			Salt Lake City STC UT	1064	Priority Mail	77%	\$522,756.87	No	Intra-Area	
Western	840L3	904	307.07	\$1.60	Kansas City PDC MO			Kansas City PDC MO	1077	Priority Mail	41%	\$529,143.02	No	Intra-Area	
Western	840L3	905	307.07	\$1.60	Salt Lake City STC UT			Salt Lake City STC UT	1075	Priority Mail	61%	\$529,143.02	No	Intra-Area	
Western	840L3	906	307.07	\$1.60	Omaha PDC NE	Cheyenne PDC WY		Omaha PDC NE	944	Priority Mail	51%	\$483,798.63	No	Intra-Area	
Western	840L3	907	307.07	\$1.60	Salt Lake City STC UT			Salt Lake City STC UT	941	Priority Mail	54%	\$482,324.59	No	Intra-Area	
Western	840L3	908	307.07	\$1.60	Seattle PDC WA	Seattle PMPA WA		Seattle PDC WA	947	Priority Mail	54%	\$416,141.28	No	Intra-Area	
Western	840L3	909	307.07	\$1.60	Salt Lake City STC UT	Boise PDC ID		Salt Lake City STC UT	853	Priority Mail	64%	\$419,089.14	No	Intra-Area	
Western	840L3	910	307.07	\$1.60	Spokane PDC WA	Salt Lake City STC UT		Spokane PDC WA	749	Priority Mail	66%	\$387,982.88	No	Intra-Area	
Western	840L3	911	307.07	\$1.60	Salt Lake City STC UT	Salt Lake City ASF UT		Salt Lake City ASF UT	785	Priority Mail	18%	\$375,853.88	No	Intra-Area	
Western	840L3	912	307.07	\$1.60	Albuquerque PDC NM	Albuquerque ASF NM		Albuquerque PDC NM	824	Priority Mail	42%	\$308,678.89	No	Intra-Area	
Western	840L3	8401	307.07	\$1.60	Salt Lake City STC UT			Salt Lake City STC UT	824	Priority Mail	31%	\$308,678.89	No	Intra-Area	
Western	840L3	8402	307.07	\$1.60	Denver PDC CO			Denver PDC CO	654	FCM	43%	\$262,380.81	No	Intra-Area	
Western	840L3	8405	307.07	\$1.60	Salt Lake City STC UT			Salt Lake City STC UT	654	FCM	80%	\$282,380.81	No	Intra-Area	
Western	840L3	8406	266.76	\$1.60	Las Vegas PDC NV			Las Vegas PDC NV	431	FCM	74%	\$211,765.47	No	Intra-Area	
Western	840L3	8407	307.07	\$1.60	Salt Lake City STC UT			Salt Lake City STC UT	431	FCM	61%	\$178,385.20	No	Intra-Area	
Western	840L3	8408	307.07	\$1.60	Billings PDC MT			Billings PDC MT	549	FCM	88%	\$289,730.29	No	Intra-Area	
Western	840L3	8409	307.07	\$1.60	Salt Lake City STC UT			Salt Lake City STC UT	549	FCM	21%	\$289,730.29	No	Intra-Area	
Western	840L3	8411	307.07	\$1.60	Salt Lake City STC UT			Seattle PDC WA	948	FCM	80%	\$416,632.58	No	Intra-Area	
Western	840L3	8412	307.07	\$1.60	Seattle PDC WA			Salt Lake City STC UT	849	FCM	28%	\$416,632.58	No	Intra-Area	
Western	840L3	8413	307.07	\$1.60	Salt Lake City STC UT	Mount Hood DDC OR		Portland Annex OR	773	FCM	78%	\$379,784.18	No	Intra-Area	
Western	840L3	8414	307.07	\$1.60	Portland PDC OR			Salt Lake City STC UT	771	FCM	65%	\$378,801.85	No	Intra-Area	
Western	840L3	8415	307.07	\$1.60	Salt Lake City STC UT	Boise PDC ID		Spokane PDC WA	749	FCM	90%	\$387,982.88	No	Intra-Area	
Western	840L3	8416	307.07	\$1.60	Spokane PDC WA	Boise PDC ID		Salt Lake City STC UT	749	FCM	28%	\$387,982.88	No	Intra-Area	
Western	840L3	8417	307.07	\$1.60	Salt Lake City STC UT	Siox Falls PDC SD	Minneapolis PDC MN	St. Paul PDC MN	1224	FCM	24%	\$801,365.80	No	Intra-Area	
Western	840L3	8418	307.07	\$1.60	St. Paul PDC MN	Siox Falls PDC SD		St. Paul PDC MN	1213	FCM	61%	\$586,881.48	No	Intra-Area	
Western	840L3	8419	307.07	\$1.60	Salt Lake City STC UT	Omaha PDC NE		Omaha PDC NE	962	FCM	13%	\$487,728.02	No	Intra-Area	
Western	840L3	8420	307.07	\$1.60	Omaha MCC NE			Salt Lake City STC UT	923	FCM	83%	\$463,480.88	No	Intra-Area	
Western	840L3	8425	307.07	\$1.60	Salt Lake City STC UT			SWA STC TX	1393	FCM	11%	\$864,397.82	Yes	Intra-Area	
Western	840L3	8426	307.07	\$1.60	SWA STC TX			Salt Lake City STC UT	1393	FCM	63%	\$864,397.82	Yes	Intra-Area	
Western	840L3	8431	307.07	\$1.60	Salt Lake City STC UT	San Bernardino PDC CA		Anaheim PDC CA	694	FCM	66%	\$340,870.63	No	Intra-Area	
Western	840L3	8432	307.07	\$1.60	Anaheim PDC CA	San Bernardino PDC CA		Salt Lake City STC UT	694	FCM	77%	\$340,870.63	No	Intra-Area	
Western	840L3	8429	200.53	\$1.60	Salt Lake City STC UT			Phoenix STC AZ	669	FCM	92%	\$214,647.31	No	Intra-Area	
Western	840L3	8430	200.53	\$1.60	Phoenix STC AZ			Salt Lake City STC UT	669	FCM	89%	\$214,647.31	No	Intra-Area	
Western	84190	845	89	\$1.55	Salt Lake City PDC UT			Phoenix PDC AZ	665	FCM	39%	\$84,485.75	Yes	Intra-Area	
Western	84190	846	89	\$1.55	Phoenix PDC AZ	Salt Lake City PDC UT		Salt Lake City ASF UT	665	FCM	19%	\$84,485.75	Yes	Intra-Area	
Western	84190	803	89	\$1.55	Salt Lake City ASF UT	Salt Lake City STC UT	Phoenix STC AZ	Tucson PDC AZ	909	FCM & Priority Mail	54%	\$111,601.65	No	Intra-Area	
Western	84190	804	89	\$1.55	Tucson PDC AZ	Phoenix STC AZ	Phoenix PDC AZ	Salt Lake City ASF UT	807	FCM & Priority Mail	100%	\$111,325.66	No	Intra-Area	
Western	84190	806	18	\$1.55	Salt Lake City ASF UT	Salt Lake City STC UT	Phoenix STC AZ	Tucson PDC AZ	809	FCM	76%	\$22,671.10	No	Intra-Area	
Western	84190	810	18	\$1.55	Tucson PDC AZ	Phoenix PDC AZ	Phoenix PDC AZ	Salt Lake City ASF UT	807	FCM	11%	\$22,615.30	No	Intra-Area	
Western	84190	851	266.76	\$1.55	Salt Lake City PDC UT			Las Vegas PDC NV	448	FCM & Priority Mail	44%	\$177,592.80	No	Intra-Area	
Western	84190	852	266.76	\$1.55	Las Vegas PDC NV	Salt Lake City PDC UT		Salt Lake City ASF UT	448	Mixed	42%	\$177,592.80	No	Intra-Area	
Western	84190	811	52.19	\$1.55	Salt Lake City PDC UT	Salt Lake City STC UT		Las Vegas PDC NV	434	FCM & Priority Mail	82%	\$35,101.49	No	Intra-Area	
Western	84190	812	52.19	\$1.55	Las Vegas PDC NV			Salt Lake City STC UT	431	FCM	49%	\$34,659.95	No	Intra-Area	
Southwest	320CJ	801	303.07	\$1.42	Jacksonville PDC FL	Jacksonville NDC FL	Tallahassee PDF FL	Pensacola PDC FL	Baton Rouge PDC LA	642	FCM & Priority Mail	60%	\$278,280.73	No	Intra-PDC
Southwest	320CJ	802	303.07	\$1.42	Baton Rouge PDC LA	New Orleans PDC LA	Pensacola PDC FL	Jacksonville PDC FL	Jacksonville PDC FL	638	FCM & Priority Mail	34%	\$273,708.68	No	Intra-PDC
Southwest	320SE	1	307.07	\$1.88	Jacksonville PDC FL	Savannah PDF GA		New Jersey STC NJ	944	FCM	65%	\$481,190.87	No	Intra-Area	
Southwest	320SE	2	307.07	\$1.88	New Jersey STC NJ			Jacksonville PDC FL	941	FCM	74%	\$479,881.76	No	Intra-Area	
Southwest	320SE	3	307.07	\$1.88	Tampa PDC FL	Orlando LDC FL		New Jersey STC NJ	1173	FCM	53%	\$587,920.58	No	Intra-Area	
Southwest	320SE	4	307.07	\$1.88	New Jersey STC NJ	Orlando LDC FL		Tampa PDC FL	1173	FCM	85%	\$587,920.58	No	Intra-Area	
Southwest	320SE	5	307.07	\$1.88	Tampa PDC FL	Tampa LDC FL	Military Annex NJ	Orlando LDC FL	1168	FCM	52%	\$584,362.41	Yes	Intra-Area	
Southwest	320SE	6	307.07	\$1.88	New Jersey STC NJ			Tampa PDC FL	1137	FCM	60%	\$676,670.88	Yes	Intra-Area	
Southwest	320SE	7	307.07	\$1.88	Orlando LDC FL	Military Annex NJ		INJ LDC NJ	1082	FCM	39%	\$551,634.67	Yes	Intra-Area	
Southwest	320SE	8	307.07	\$1.88	New Jersey STC NJ			Orlando LDC FL	1063	FCM	32%	\$541,849.68	Yes	Intra-Area	
Southwest	328M5	1	307.07	\$1.41	Orlando PDC FL			Baton Rouge PDC LA	730	FCM & Priority Mail	26%	\$316,087.16	Yes	Intra-Cluster	
Southwest	328M5	2	307.07	\$1.41	Baton Rouge PDC LA	New Orleans PDC LA	Orlando LDC FL	Orlando PDC FL	730	FCM & Priority Mail	26%	\$316,087.16	Yes	Intra-Cluster	
Southwest	328SE	4073	303.07	\$1.88	Orlando STC FL			New England STC MA	1313	FCM	71%	\$868,623.93	Yes	Intra-Area	
Southwest	328SE	4074	303.07	\$1.88	New England STC MA			Orlando PDC FL	1313	FCM	66%	\$868,623.93	Yes	Intra-Area	
Southwest	328SE	3801	307.07	\$1.88	Memphis STC TN			Orlando STC FL	828	FCM	71%	\$428,114.90	No	Intra-Area	
Southwest	328SE	3802	307.07	\$1.88	Orlando STC FL			Memphis STC TN	828	FCM	66%	\$428,114.90	No	Intra-Area	
Southwest	328WE	3003	266.76	\$1.85	Atlanta STC GA	Orlando STC FL		Mid-FL PDC FL	483	FCM	88%	\$203,819.96	No	Intra-Area	

Southwest	328WE	3004	266.76	\$1.86	Mid-FL PDC FL	Orlando STC FL			Atlanta STC GA	483	FCM	75%	\$203,819.98	No	Inter-Area
Southwest	328WE	3007	307.07	\$1.85	Atlanta STC GA				Orlando PDC FL	463	FCM	47%	\$228,619.47	No	Inter-Area
Southwest	328WE	3008	307.07	\$1.85	Orlando PDC FL	Gainesville PDF FL			Atlanta STC GA	468	FCM	63%	\$231,039.47	No	Inter-Area
Southwest	33113	801	307.07	\$1.48	So. FL LDC FL				Atlanta NDC GA	666	Priority Mail	71%	\$302,872.78	No	Inter-Area
Southwest	33113	902	307.07	\$1.48	Atlanta LDC GA				So. FL LDC FL	668	Priority Mail	83%	\$302,872.78	No	Inter-Area
Southwest	33113	3001	251.48	\$1.48	Miami PDC FL	Fl. Lauderdale PDC FL			Atlanta STC GA	682	FCM	68%	\$263,813.67	No	Inter-Area
Southwest	33113	3002	261.48	\$1.48	Atlanta STC GA	So. FL PDC FL			Miami PDC FL	680	FCM	95%	\$263,040.34	No	Inter-Area
Southwest	33113	3003	307.07	\$1.48	Miami PDC FL				Atlanta STC GA	676	FCM	35%	\$308,782.83	No	Inter-Area
Southwest	33113	3004	307.07	\$1.48	Atlanta STC GA				Miami PDC FL	678	FCM	48%	\$308,782.83	No	Inter-Area
Southwest	33113	3005	50.81	\$1.48	Miami PDC FL				Atlanta STC GA	675	FCM	58%	\$50,558.38	Yes	Inter-Area
Southwest	33113	3006	50.81	\$1.48	Atlanta STC GA				Miami PDC FL	675	FCM	35%	\$50,558.38	Yes	Inter-Area
Southwest	33113	3011	307.07	\$1.48	Fl. Lauderdale PDC FL				Atlanta STC GA	648	FCM	98%	\$283,683.48	No	Inter-Area
Southwest	33113	3012	307.07	\$1.48	Atlanta STC GA	WPB PDC FL			Fl. Lauderdale PDC FL	648	FCM	32%	\$284,492.41	No	Inter-Area
Southwest	33113	3013	52.18	\$1.48	Fl. Lauderdale PDC FL				Atlanta STC GA	648	FCM	100%	\$50,042.71	No	Inter-Area
Southwest	33113	3014	52.18	\$1.48	Atlanta STC GA				Fl. Lauderdale PDC FL	648	FCM	6%	\$50,042.71	No	Inter-Area
Southwest	33113	3021	366.26	\$1.48	WPB PDC FL				Atlanta STC GA	611	FCM	60%	\$330,288.27	No	Inter-Area
Southwest	33113	3022	366.26	\$1.48	Atlanta STC GA				WPB PDC FL	611	FCM	41%	\$330,288.27	No	Inter-Area
Southwest	331M4	1	52.18	\$1.43	So. FL LDC FL	Columbia PDC SC			Charlotte LDC NC	738	Priority Mail	43%	\$55,087.84	No	Inter-Area
Southwest	331M4	2	52.18	\$1.43	Charlotte LDC NC	Columbia PDC SC	WPB PDC FL		So. FL LDC FL	744	Priority Mail	91%	\$55,515.35	No	Inter-Area
Southwest	331M4	3	266.76	\$1.43	So. FL LDC FL				Columbia PDC SC	627	Priority Mail	64%	\$228,308.01	No	Inter-Area
Southwest	331M4	4	266.76	\$1.43	Columbia PDC SC	WPB PDC FL			So. FL LDC FL	638	Priority Mail	92%	\$233,330.96	No	Inter-Area
Southwest	331M4	5	266.76	\$1.43	So. FL LDC FL				Charlotte LDC NC	735	Priority Mail	81%	\$268,806.04	No	Inter-Area
Southwest	331M4	6	266.76	\$1.43	Charlotte LDC NC	WPB PDC FL			So. FL LDC FL	741	Priority Mail	81%	\$271,000.37	No	Inter-Area
Southwest	331M5	1	307.07	\$1.39	So. FL LDC FL				Raleigh PDC NC	813	Priority Mail	28%	\$347,010.59	No	Inter-Area
Southwest	331M5	2	307.07	\$1.39	Raleigh PDC NC	Charleston PDF SC	WPB PDC FL		So. FL LDC FL	874	Priority Mail	92%	\$373,047.06	No	Inter-Area
Southwest	331N1	1	307.07	\$1.82	Miami PDC FL	Fl. Lauderdale PDC FL	WPB PDC FL		New Jersey STC NJ	1201	FCM	52%	\$842,212.34	Yes	Inter-Cluster
Southwest	331N1	2	307.07	\$1.82	New Jersey STC NJ				Miami PDC FL	1284	FCM	50%	\$838,730.17	Yes	Inter-Cluster
Southwest	331N1	7	261.48	\$1.82	Miami PDC FL	Fl. Lauderdale PDC FL			New Jersey STC NJ	1287	FCM	100%	\$524,278.01	Yes	Inter-Cluster
Southwest	331N1	8	261.48	\$1.82	New Jersey STC NJ				Miami PDC FL	1284	FCM	100%	\$523,058.92	Yes	Inter-Cluster
Southwest	331N1	791	307.07	\$1.82	Miami PDC FL	Fl. Lauderdale PDC FL	WPB PDC FL		Chicago NDC IL	1401	FCM	90%	\$688,832.21	Yes	Inter-Cluster
Southwest	331N1	792	307.07	\$1.82	Chicago NDC IL				Miami PDC FL	1394	FCM	85%	\$693,450.04	Yes	Inter-Cluster
Southwest	33512	3001	266.76	\$1.69	Tampa PDC FL				Atlanta STC GA	489	FCM	84%	\$202,710.01	No	Inter-Area
Southwest	33512	3002	266.48	\$1.69	Atlanta STC GA				Tampa PDC FL	489	FCM	56%	\$202,489.15	No	Inter-Area
Southwest	33512	3003	261.48	\$1.69	Tampa PDC FL				Atlanta STC GA	489	FCM	87%	\$189,309.71	No	Inter-Area
Southwest	33512	3004	261.48	\$1.69	Atlanta STC GA				Tampa PDC FL	489	FCM	100%	\$193,309.71	No	Inter-Area
Southwest	33512	3005	307.07	\$1.69	Tampa PDC FL				Atlanta STC GA	469	FCM	48%	\$243,386.76	No	Inter-Area
Southwest	33512	3006	307.07	\$1.69	Atlanta STC GA				Tampa PDC FL	488	FCM	71%	\$243,386.76	No	Inter-Area
Southwest	33512	3007	307.07	\$1.69	Tampa PDC FL				Atlanta STC GA	489	FCM	18%	\$243,386.76	No	Inter-Area
Southwest	33512	3008	307.07	\$1.69	Atlanta STC GA				Tampa PDC FL	489	FCM	83%	\$243,386.76	No	Inter-Area
Southwest	33512	3009	303.07	\$1.69	Tampa PDC FL				Atlanta STC GA	489	FCM	13%	\$240,218.31	No	Inter-Area
Southwest	33512	3010	303.07	\$1.69	Atlanta STC GA				Tampa PDC FL	489	FCM	81%	\$240,218.31	No	Inter-Area
Southwest	335C0	6	303.07	\$1.66	Tampa PDC FL				Pittsburgh LDC PA	1073	Priority Mail	45%	\$538,822.22	No	Inter-Cluster
Southwest	335C0	8	303.07	\$1.66	Pittsburgh LDC PA				Tampa PDC FL	1073	Priority Mail	29%	\$538,822.22	No	Inter-Cluster
Southwest	366C4	1	303.07	\$1.39	Gulfport PDF MS	Mobile PDC AL	Pensacola PDC FL	Columbia PDC SC	Charlotte LDC NC	768	FCM & Priority Mail	60%	\$319,320.81	No	Inter-Area
Southwest	366C4	2	303.07	\$1.39	Charlotte LDC NC	Columbia PDC SC	Pensacola PDC FL	Mobile PDC AL	Gulfport PDF MS	768	FCM & Priority Mail	49%	\$319,320.81	No	Inter-Area
Southwest	720M1	1	307.07	\$1.33	Little Rock PDC AR	Fayetteville PDF AR			Kansas City PDC MO	425	FCM & Priority Mail	49%	\$173,571.32	No	Inter-Area
Southwest	720M1	2	307.07	\$1.33	Kansas City PDC MO	Springfield PDC MO	Fayetteville PDF AR		Little Rock PDC AR	468	FCM & Priority Mail	49%	\$191,132.65	No	Inter-Area
Southwest	73012	1	313.07	\$1.81	Tulsa PDC OK	Springfield PDC MO			Tulsa PDC OK	396	FCM & Priority Mail	43%	\$224,398.05	Yes	Inter-Area
Southwest	73012	2	313.07	\$1.81	St. Louis PDC MO	Springfield PDC MO			Tulsa PDC OK	396	FCM & Priority Mail	78%	\$224,398.05	Yes	Inter-Area
Southwest	730CE	4801	307.07	\$1.39	Oklahoma City PDC OK				Indianapolis STC IN	736	FCM	67%	\$314,144.89	No	Inter-Area
Southwest	730CE	4802	307.07	\$1.39	Indianapolis STC IN	Tulsa PDC OK			Oklahoma City PDC OK	736	FCM	71%	\$314,144.89	Yes	Inter-Area
Southwest	75118	971	385.26	\$1.84	North TX PDC TX				Chicago NDC IL	926	Mixed	47%	\$821,655.60	No	Inter-Area
Southwest	75118	972	385.26	\$1.84	Chicago NDC IL				North TX PDC TX	926	Mixed	88%	\$821,655.60	No	Inter-Area
Southwest	761AE	7501	307.07	\$1.53	SWA STC TX	Detroit PDC MI			Michigan Metroplex PDC MI	1288	FCM	54%	\$595,728.08	No	Inter-Area
Southwest	761AE	7502	307.07	\$1.53	Michigan Metroplex PDC MI	Detroit PDC MI			SWA STC TX	1288	FCM	69%	\$595,728.08	No	Inter-Area
Southwest	761AG	7501	307.07	\$1.47	SWA STC TX				St. Louis PDC MO	835	FCM	62%	\$288,634.49	No	Inter-Area
Southwest	761AG	7502	307.07	\$1.47	St. Louis PDC MO				SWA STC TX	835	FCM & Priority Mail	85%	\$288,634.49	No	Inter-Area
Southwest	761JE	7501	307.07	\$1.78	SWA STC TX				Denver PDC CO	770	FCM	78%	\$418,141.28	No	Inter-Area
Southwest	761JE	7502	307.07	\$1.78	Denver PDC CO				SWA STC TX	770	FCM	44%	\$418,141.28	No	Inter-Area
Southwest	761JE	7603	307.07	\$1.78	SWA STC TX	Denver PDC CO			Denver PDC CO	774	Mixed	99%	\$418,303.04	No	Inter-Area
Southwest	761JE	7604	307.07	\$1.78	Denver PDC CO	Denver Priority Annex GO			SWA STC TX	774	Priority Mail	83%	\$418,303.04	No	Inter-Area
Southwest	761ME	7501	307.07	\$1.69	SWA STC TX				Des Moines NDC IA	782	FCM	97%	\$405,817.67	No	Inter-Area
Southwest	761ME	7502	307.07	\$1.69	Des Moines NDC IA	Omaha PDC NE			SWA STC TX	782	FCM & Priority Mail	63%	\$405,817.67	No	Inter-Area
Southwest	761ME	7503	307.07	\$1.69	Omaha PDC NE	Wichita PDC KS			Des Moines NDC IA	749	FCM	43%	\$389,692.28	No	Inter-Area
Southwest	761ME	7404	307.07	\$1.69	Des Moines NDC IA	Wichita PDC KS	Oklahoma City PDC OK		SWA STC TX	754	FCM & Priority Mail	80%	\$391,287.02	No	Inter-Area
Southwest	761NE	7501	182	\$1.69	SWA STC TX				Phoenix PDC AZ	1053	FCM	74%	\$323,881.74	No	Inter-Area
Southwest	761NE	7502	222	\$1.69	Phoenix PDC AZ	Tucson PDC AZ			SWA STC TX	1067	FCM	51%	\$400,317.06	No	Inter-Area
Southwest	761NE	7503	145	\$1.69	SWA STC TX	El Paso PDC TX			West Valley LDC AZ	1078	FCM	84%	\$263,673.80	No	Inter-Area
Southwest	761NE	7504	182	\$1.69	West Valley LDC AZ				SWA STC TX	1071	FCM	No Data	\$328,418.18	No	Inter-Area
Southwest	761NE	7505	145	\$1.69	SWA STC TX	El Paso PDC TX			Tucson PDC AZ	848	FCM	No Data	\$231,817.30	No	Inter-Area
Southwest	761NE	7507	37	\$1.69	SWA STC TX	El Paso PDC TX	Tucson PDC AZ		West Valley LDC AZ	1078	FCM	No Data	\$87,282.28	No	Inter-Area
Southwest	761NE	7509	38	\$1.69	SWA STC TX	Tucson PDC AZ			Phoenix PDC AZ	1067	FCM	No Data	\$68,522.74	No	Inter-Area
Southwest	761NE	7511	182	\$1.69	SWA STC TX				Phoenix PDC AZ	1053	FCM	No Data	\$323,881.74	No	Inter-Area
Southwest	761NE	7512	222	\$1.69	Phoenix PDC AZ	Tucson PDC AZ			SWA STC TX	1088	FCM	89%	\$398,941.88	No	Inter-Area
Southwest	761NE	7513	145	\$1.69	SWA STC TX	El Paso PDC TX			West Valley LDC AZ	1076	FCM	80%	\$263,428.76	No	Inter-Area

Southwest	751NE	7514	182	\$1.69	West Valley LDC AZ			SWA STC TX	1071	FCM	No Data	\$329,418.18	No	Inter-Area
Southwest	751NE	7515	145	\$1.69	SWA STC TX	El Paso PDC TX		Tucson PDC AZ	946	FCM	32%	\$231,817.30	No	Inter-Area
Southwest	751NE	7517	37	\$1.69	SWA STC TX	El Paso PDC TX	Tucson PDC AZ	West Valley LDC AZ	1078	FCM	80%	\$87,282.28	No	Inter-Area
Southwest	751NE	7519	13.75	\$1.69	SWA STC TX			Phoenix PDC AZ	1067	FCM	40%	\$24,794.41	No	Inter-Area
Southwest	751RE	7501	256.75	\$1.60	SWA STC TX			Chicago NDC IL	832	FCM	86%	\$391,374.40	No	Inter-Area
Southwest	751RE	7502	256.75	\$1.60	SWA STC TX			Chicago NDC IL	832	FCM	100%	\$381,374.40	No	Inter-Area
Southwest	751RE	7503	307.07	\$1.60	SWA STC TX			Chicago NDC IL	832	FCM	62%	\$467,902.78	No	Inter-Area
Southwest	751RE	7404	307.07	\$1.60	Chicago NDC IL			SWA STC TX	932	FCM	92%	\$467,902.78	No	Inter-Area
Southwest	752AE	7501	307.07	\$1.49	SWA STC TX			New Jersey STC NJ	1575	FCM	69%	\$720,816.52	Yes	Inter-Area
Southwest	752AE	7502	307.07	\$1.49	New Jersey STC NJ			SWA STC TX	1575	FCM	77%	\$720,816.52	Yes	Inter-Area
Southwest	752AE	7503	256.75	\$1.49	SWA STC TX	New Jersey STC NJ		JFK ISC NY	1595	FCM	89%	\$807,802.82	Yes	Inter-Area
Southwest	752AE	7504	50.4	\$1.49	JFK ISC NY	NNJ LDC		SWA STC TX	1810	Mixed	100%	\$120,904.55	Yes	Inter-Area
Southwest	752AE	7505	256.75	\$1.49	SWA STC TX			New Jersey STC NJ	1575	FCM	85%	\$800,181.31	Yes	Inter-Area
Southwest	752AE	7506	256.75	\$1.49	New Jersey STC NJ			SWA STC TX	1575	FCM	92%	\$800,181.31	Yes	Inter-Area
Southwest	752AE	7509	10	\$1.49	NY LDC NY	NNJ LDC		SWA STC TX	1810	Mixed	No Data	\$23,989.00	Yes	Inter-Area
Southwest	752BE	7501	307.07	\$1.34	SWA STC TX			Capital Metro STC MD	1371	FCM	87%	\$554,130.58	Yes	Inter-Area
Southwest	752BE	7502	307.07	\$1.34	Capital Metro STC MD	Memphis STC TX		SWA STC TX	1371	FCM	65%	\$554,130.58	Yes	Inter-Area
Southwest	752EE	7501	51.04	\$1.92	SWA STC TX			Waukegan PDC WI	956	FCM	46%	\$97,604.81	No	Inter-Area
Southwest	752EE	7502	51.04	\$1.92	Waukegan PDC WI			SWA STC TX	956	FCM	78%	\$97,604.81	No	Inter-Area
Southwest	752KE	7501	307.07	\$1.51	SWA STC TX	Kansas City PDC MO		Minneapolis PDC MN	965	FCM	43%	\$459,720.59	No	Inter-Area
Southwest	752KE	7502	307.07	\$1.51	St. Paul PDC MN	Kansas City PDC MO		SWA STC TX	969	FCM	88%	\$449,838.08	No	Inter-Area
Southwest	752LE	7501	307.07	\$1.45	SWA STC TX	Birmingham PDC AL		Montgomery PDC AL	754	FCM	84%	\$335,719.63	No	Inter-Area
Southwest	752LE	7502	307.07	\$1.45	Montgomery PDC AL	Birmingham PDC AL		SWA STC TX	754	FCM	67%	\$335,719.63	No	Inter-Area
Southwest	752NE	7501	307.07	\$1.57	SWA STC TX			Cincinnati PDC OH	959	FCM	61%	\$491,851.70	Yes	Inter-Area
Southwest	752NE	7502	307.07	\$1.57	Cincinnati PDC OH			SWA STC TX	959	FCM	84%	\$491,851.70	Yes	Inter-Area
Southwest	752NE	7503	307.07	\$1.57	SWA STC TX			Indianapolis STC IN	923	FCM	68%	\$444,878.21	No	Inter-Area
Southwest	752NE	7504	307.07	\$1.57	Indianapolis STC IN			Indianapolis STC IN	923	FCM	70%	\$444,878.21	No	Inter-Area
Southwest	752NE	7506	51.81	\$1.57	Indianapolis STC IN			North TX PDC TX	923	FCM	38%	\$74,788.67	No	Inter-Area
Southwest	752NE	7511	256.75	\$1.57	SWA STC TX	Indianapolis STC IN		Indianapolis PDC IN	923	FCM	85%	\$370,609.88	No	Inter-Area
Southwest	751NE	7512	256.75	\$1.69	Indianapolis PDC IN	Indianapolis STC IN		SWA STC TX	925	FCM	78%	\$399,801.18	No	Inter-Area
Southwest	751NE	7521	307.07	\$1.69	SWA STC TX	Nashville PDC TN		Knoxville PDC IN	967	FCM	87%	\$440,929.18	No	Inter-Area
Southwest	751NE	7522	307.07	\$1.69	Knoxville PDC TN	Nashville PDC TN		SWA STC TX	967	FCM	90%	\$449,829.18	No	Inter-Area
Southwest	751NE	7531	256.75	\$1.69	SWA STC TX			Louisville PDC KY	858	FCM	97%	\$399,878.18	No	Inter-Area
Southwest	751NE	7532	256.75	\$1.69	Louisville PDC KY			SWA STC TX	857	FCM	59%	\$370,810.40	No	Inter-Area
Southwest	751NE	7541	52.18	\$1.69	SWA STC TX	Louisville PDC KY		Indianapolis PDC IN	975	FCM	49%	\$95,875.80	No	Inter-Area
Southwest	751NE	7542	52.18	\$1.69	Indianapolis PDC IN	Louisville PDC KY		SWA STC TX	975	FCM	49%	\$95,875.80	No	Inter-Area
Southwest	752RE	7501	307.07	\$1.64	SWA STC TX			Wichita PDC KS	361	FCM & Priority Mail	79%	\$170,112.50	No	Inter-Area
Southwest	752RE	7502	307.07	\$1.64	Wichita PDC KS	Oklahoma City PDC OK		SWA STC TX	349	FCM & Priority Mail	78%	\$154,584.95	No	Inter-Area
Southwest	752SE	7501	256.75	\$1.82	SWA STC TX			Memphis STC TN	498	FCM & Priority Mail	65%	\$202,185.72	No	Inter-Area
Southwest	752SE	7502	256.75	\$1.82	Memphis STC TN			SWA STC TX	498	FCM & Priority Mail	62%	\$202,185.72	No	Inter-Area
Southwest	752SE	7503	307.07	\$1.82	SWA STC TX			Memphis STC TN	498	FCM	28%	\$242,757.28	No	Inter-Area
Southwest	752SE	7504	307.07	\$1.82	Memphis STC TN			SWA STC TX	498	FCM	89%	\$242,757.28	No	Inter-Area
Southwest	752UE	7501	307.07	\$1.61	SWA STC TX			Jackson PDC MS	430	FCM & Priority Mail	77%	\$212,584.58	No	Inter-Area
Southwest	752UE	7502	307.07	\$1.61	Jackson PDC MS			SWA STC TX	430	FCM & Priority Mail	76%	\$212,584.58	No	Inter-Area
Southwest	752VE	7501	256.75	\$1.73	SWA STC TX			Atlanta STC GA	805	FCM	94%	\$356,170.24	No	Inter-Area
Southwest	752VE	7502	256.75	\$1.73	Atlanta STC GA			SWA STC TX	806	FCM	96%	\$356,170.24	No	Inter-Area
Southwest	752VE	7503	307.07	\$1.73	Atlanta STC GA			SWA STC TX	805	FCM	63%	\$427,641.04	No	Inter-Area
Southwest	752VE	7504	307.07	\$1.73	Atlanta STC GA			Atlanta STC GA	806	FCM	87%	\$427,641.04	No	Inter-Area
Southwest	753AD	7501	307.07	\$1.54	SWA STC TX			Harrisburg PA	1406	FCM	62%	\$684,880.25	Yes	Inter-Area
Southwest	753AD	7502	307.07	\$1.54	Harrisburg PDC PA			SWA STC TX	1406	FCM	98%	\$684,407.38	Yes	Inter-Area
Southwest	753OE	7504	256.75	\$1.93	PSI (Reading) PA			SWA STC TX	1486	FCM	No Data	\$723,120.34	Yes	Inter-Area
Southwest	753OE	7506	51.81	\$1.93	PSI (Reading) PA			SWA STC TX	1486	FCM	No Data	\$145,924.89	Yes	Inter-Area
Southwest	753EE	1	303.07	\$1.60	SWA STC TX	Shreveport PDC LA		Pensacola PDC FL	733	FCM & Priority Mail	90%	\$353,219.89	No	Inter-Area
Southwest	753EE	2	303.07	\$1.60	Pensacola PDC FL	Mobile PDC AL	Gulfport PDC MS	Shreveport PDC LA	724	FCM & Priority Mail	39%	\$348,882.08	No	Inter-Area
Southwest	753EE	7501	199.71	\$1.60	SWA STC TX			Orlando STC FL	1147	FCM	49%	\$382,393.39	Yes	Inter-Area
Southwest	753EE	7502	199.71	\$1.60	Orlando STC FL			SWA STC TX	1147	FCM	34%	\$382,393.39	Yes	Inter-Area
Southwest	753EE	7503	51.81	\$1.60	SWA STC TX			Orlando STC FL	1147	FCM	61%	\$94,122.71	No	Inter-Area
Southwest	753EE	7504	51.81	\$1.60	Orlando STC FL	Tallahassee PDC FL		SWA STC TX	1158	FCM	47%	\$95,107.42	No	Inter-Area
Southwest	753EE	7511	251.48	\$1.59	SWA STC TX			Tampa PDC FL	1132	FCM	89%	\$452,597.82	No	Inter-Area
Southwest	753EE	7512	251.48	\$1.59	Tampa PDC FL			SWA STC TX	1132	FCM	89%	\$452,597.82	No	Inter-Area
Southwest	753EE	7513	51.81	\$1.59	SWA STC TX			Orlando STC FL	1147	FCM	47%	\$94,122.71	No	Inter-Area
Southwest	753EE	7514	51.81	\$1.59	Orlando STC FL			North TX PDC TX	1147	FCM	25%	\$94,122.71	No	Inter-Area
Southwest	753EE	7521	303.07	\$1.59	SWA STC TX	Mobile PDC AL	Pensacola PDC FL	Jacksonville PDC FL	1073	FCM	78%	\$517,059.63	No	Inter-Area
Southwest	753EE	7522	307.07	\$1.59	Jacksonville PDC FL	Tallahassee PDC FL		SWA STC TX	1031	FCM	79%	\$503,378.78	No	Inter-Area
Southwest	753KE	7501	307.07	\$1.54	SWA STC TX			So CA STC CA	1422	FCM	94%	\$872,448.45	Yes	Inter-Area
Southwest	753KE	7502	307.07	\$1.54	So CA STC CA			SWA STC TX	1422	FCM	100%	\$872,448.45	Yes	Inter-Area
Southwest	753KE	7503	256.75	\$1.54	SWA STC TX			So CA STC CA	1422	FCM	97%	\$680,061.81	Yes	Inter-Area
Southwest	753KE	7504	203.57	\$1.54	So CA STC CA	Albuquerque ASF NM		SWA STC TX	1422	FCM	81%	\$445,793.87	Yes	Inter-Area
Southwest	753KE	7508	52.18	\$1.54	So CA STC CA			SWA STC TX	1422	FCM	100%	\$114,287.84	Yes	Inter-Area
Southwest	753KE	7510	256.75	\$1.54	So CA STC CA			SWA STC TX	1422	FCM	58%	\$580,061.81	Yes	Inter-Area
Southwest	753UE	7501	52.18	\$1.74	SWA STC TX			So FL LDC FL	1414	FCM	99%	\$128,381.58	Yes	Inter-Area
Southwest	753UE	7502	52.18	\$1.74	So FL LDC			SWA STC TX	1414	FCM	90%	\$128,381.58	Yes	Inter-Area
Southwest	753RE	7501	256.75	\$2.18	SWA STC TX			Charlotte LDC NC	1041	FCM	71%	\$575,069.22	No	Inter-Area
Southwest	753RE	7502	256.75	\$2.18	Charlotte LDC NC	Jackson PDC MS		SWA STC TX	1048	FCM	77%	\$577,631.32	No	Inter-Area
Southwest	753RE	7503	307.07	\$2.18	SWA STC TX			Charlotte LDC NC	1041	FCM	52%	\$690,486.32	No	Inter-Area

Southwest	763RE	7604	52.18	\$2.18	Charlotte LDC NC				SWA STC TX	1038	FCM	80%	\$116,788.32	No	Inter-Area
Great Lakes	4809E	4801	255.75	\$2.38	Indianapolis STC IN				South Bend PDC IN	145	FCM & Priority Mail	0%	\$87,517.85	Yes	Intra-Area
Great Lakes	4805E	4802	255.75	\$2.38	South Bend PDC IN				Indianapolis STC IN	145	FCM	79%	\$87,517.85	Yes	Intra-Area
Great Lakes	4809D	801	307.07	\$2.09	Indianapolis P1 MPA IN	Indianapolis PDC IN			Cincinnati NDC OH	124	Priority Mail	51%	\$79,680.28	No	Inter-BMC
Great Lakes	4809D	802	307.07	\$2.09	Cincinnati NDC OH	Cincinnati PDC OH	Indianapolis PDC IN		Indianapolis P1 MPA IN	124	FCM & Priority Mail	63%	\$85,358.25	No	Inter-BMC
Great Lakes	4809D	803	358.25	\$2.09	Indianapolis P1 MPA IN	Indianapolis PDC IN			Cincinnati NDC OH	124	Priority Mail	8%	\$93,103.23	No	Inter-BMC
Great Lakes	4809D	804	358.25	\$2.09	Cincinnati NDC OH	Indianapolis PDC IN	High School Anx IN		Indianapolis P1 MPA IN	124	Mixed	76%	\$101,382.39	No	Inter-BMC
Great Lakes	4809D	805	353.25	\$2.09	Indianapolis P1 MPA IN	Indianapolis PDC IN			Cincinnati NDC OH	124	Priority Mail	0%	\$84,139.87	Yes	Inter-BMC
Great Lakes	4809D	806	353.25	\$2.09	Cincinnati NDC OH	Indianapolis PDC IN			Indianapolis P1 MPA IN	124	Priority Mail	0%	\$84,139.87	Yes	Inter-BMC
Great Lakes	4809D	807	251.48	\$2.09	Indianapolis P1 MPA IN	Indianapolis PDC IN			Cincinnati NDC OH	124	FCM-Priority Mail	15%	\$65,169.37	Yes	Inter-BMC
Great Lakes	4809D	808	251.48	\$2.09	Cincinnati NDC OH	Indianapolis PDC IN			Indianapolis P1 MPA IN	124	FCM-Priority Mail	14%	\$65,169.37	Yes	Inter-BMC
Great Lakes	4809D	808	381.25	\$2.09	Indianapolis P1 MPA IN	Indianapolis PDC IN			Cincinnati NDC OH	124	Priority Mail	64%	\$93,621.55	No	Inter-BMC
Great Lakes	4809D	810	381.25	\$2.09	Cincinnati NDC OH	Indianapolis PDC IN			Indianapolis P1 MPA IN	124	FCM & Priority Mail	71%	\$93,621.55	No	Inter-BMC
Great Lakes	4809D	821	383.25	\$2.09	Indianapolis PDC IN	Indianapolis PDC IN			Cincinnati NDC OH	116	FCM	28%	\$87,307.14	No	Inter-BMC
Great Lakes	4809D	822	383.25	\$2.09	Cincinnati NDC OH	Indianapolis PDC IN			Indianapolis PDC IN	116	Priority Mail	81%	\$87,307.14	No	Inter-BMC
Great Lakes	4809D	823	355.25	\$2.09	Indianapolis PDC IN	Cincinnati NDC OH			Cincinnati NDC OH	116	Priority Mail	41%	\$85,384.34	No	Inter-BMC
Great Lakes	4809D	824	355.25	\$2.09	Cincinnati NDC OH	Indianapolis PDC IN			Indianapolis PDC IN	116	Priority Mail	71%	\$85,384.34	No	Inter-BMC
Great Lakes	4809D	825	383.25	\$2.09	Indianapolis PDC IN	Cincinnati NDC OH			Cincinnati NDC OH	116	Priority Mail	72%	\$87,307.14	No	Inter-BMC
Great Lakes	4809D	826	383.25	\$2.09	Cincinnati NDC OH	Indianapolis PDC IN			Indianapolis PDC IN	116	Priority Mail	34%	\$87,307.14	No	Inter-BMC
Great Lakes	4809D	827	353.25	\$2.09	Indianapolis PDC IN	Cincinnati NDC OH			Cincinnati NDC OH	116	FCM-Priority Mail	18%	\$87,307.14	No	Inter-BMC
Great Lakes	4809D	828	383.25	\$2.09	Cincinnati NDC OH	Indianapolis PDC IN			Indianapolis PDC IN	116	Priority Mail	80%	\$87,307.14	No	Inter-BMC
Great Lakes	4809D	4801	307.07	\$2.08	Indianapolis STC IN	Indianapolis PDC OH			Cincinnati PDC OH	118	FCM	81%	\$74,446.05	Yes	Inter-BMC
Great Lakes	4809D	4802	307.07	\$2.08	Cincinnati PDC OH	Indianapolis STC IN			Indianapolis STC IN	118	FCM	13%	\$75,729.80	Yes	Inter-BMC
Great Lakes	4809D	4803	265.76	\$2.09	Indianapolis STC IN	Indianapolis PDC OH			Cincinnati PDC OH	118	FCM	37%	\$85,004.03	Yes	Inter-BMC
Great Lakes	4808D	4804	265.76	\$2.09	Cincinnati PDC OH	Indianapolis STC IN			Indianapolis STC IN	118	FCM	100%	\$83,073.07	Yes	Inter-BMC
Great Lakes	4809D	4805	52.18	\$2.09	Indianapolis STC IN	Cincinnati PDC OH			Cincinnati PDC OH	118	FCM	33%	\$12,650.52	Yes	Inter-BMC
Great Lakes	4809D	4804	52.18	\$2.09	Cincinnati PDC OH	Indianapolis STC IN			Indianapolis STC IN	118	FCM	85%	\$12,968.63	Yes	Inter-BMC
Great Lakes	4809D	4807	307.07	\$2.09	Indianapolis STC IN	Cincinnati PDC OH			Cincinnati PDC OH	118	FCM	49%	\$74,446.05	Yes	Inter-BMC
Great Lakes	4809D	4808	307.07	\$2.09	Cincinnati PDC OH	Indianapolis STC IN			Indianapolis STC IN	118	FCM & Priority Mail	47%	\$75,729.80	Yes	Inter-BMC
Great Lakes	478U1	801	385.25	\$1.82	St. Louis NDC MO	Evansville PDC IN			Owensboro KY	228	Mixed	74%	\$158,489.28	No	Inter-BMC
Great Lakes	478U1	802	385.25	\$1.82	Owensboro KY	Evansville PDC IN			St. Louis NDC MO	239	Mixed	63%	\$187,906.82	No	Inter-BMC
Great Lakes	478U1	803	385.25	\$1.82	St. Louis NDC MO	Evansville PDC IN	Centralia IL	SL Louis PDC MO	Evansville PDC IN	208	Mixed	88%	\$144,483.88	No	Inter-BMC
Great Lakes	478U1	804	385.25	\$1.82	Evansville PDC IN	St. Louis PDC MO	Centralia IL		St. Louis NDC MO	193	Mixed	78%	\$135,347.04	No	Inter-BMC
Great Lakes	478U1	805	385.25	\$1.82	St. Louis NDC MO	Evansville PDC IN			Evansville PDC IN	193	Mixed	63%	\$135,347.04	No	Inter-BMC
Great Lakes	478U1	806	385.25	\$1.82	Evansville PDC IN	St. Louis NDC MO			St. Louis NDC MO	193	Mixed	21%	\$135,347.04	No	Inter-BMC
Great Lakes	478U1	807	383.25	\$1.92	St. Louis NDC MO	Evansville PDC IN			Evansville PDC IN	193	Mixed	48%	\$134,605.82	No	Inter-BMC
Great Lakes	478U1	808	383.25	\$1.92	Evansville PDC IN	St. Louis NDC MO			St. Louis NDC MO	193	Mixed	48%	\$134,605.82	No	Inter-BMC
Great Lakes	480L0	1	313.07	\$1.68	Michigan Metroplex PDC MI	Toledo PDC OH			Cincinnati PDC OH	343	FCM & Priority Mail	44%	\$167,517.50	Yes	Inter-Area
Great Lakes	480LD	2	313.07	\$1.68	Cincinnati PDC OH	Columbus PDC OH			Toledo PDC OH	343	FCM & Priority Mail	56%	\$167,517.50	Yes	Inter-Area
Great Lakes	489BE	4801	255.76	\$1.53	Lansing PDC MI	Indianapolis STC IN			Michigan Metroplex PDC MI	269	FCM & Priority Mail	100%	\$104,867.73	Yes	Inter-PDC
Great Lakes	489BE	4802	255.76	\$1.53	Indianapolis STC IN	Detroit NDC MI			Lansing PDC MI	407	FCM	72%	\$169,258.08	Yes	Inter-PDC
Great Lakes	489BE	4805	61.81	\$1.53	Lansing PDC MI	Indianapolis STC IN			Indianapolis STC IN	268	FCM & Priority Mail	45%	\$21,182.16	Yes	Inter-PDC
Great Lakes	489BE	4806	61.81	\$1.53	Indianapolis STC IN	Detroit NDC MI			Lansing PDC MI	407	FCM	38%	\$32,139.08	Yes	Inter-PDC
Great Lakes	4931D	4801	307.07	\$1.87	Grand Rapids Annex MI	Indianapolis STC IN			Indianapolis STC IN	294	FCM & Priority Mail	95%	\$188,820.94	No	Inter-Area
Great Lakes	4931D	4802	307.07	\$1.87	Indianapolis STC IN	Grand Rapids Annex MI			Grand Rapids Annex MI	294	FCM & Priority Mail	30%	\$168,820.94	No	Inter-Area
Great Lakes	4931D	4803	307.07	\$1.87	Grand Rapids Annex MI	Indianapolis STC IN			Indianapolis STC IN	294	FCM & Priority Mail	87%	\$168,820.94	No	Inter-Area
Great Lakes	4931D	4804	255.76	\$1.87	Indianapolis STC IN	Grand Rapids Annex MI			Grand Rapids Annex MI	294	FCM	86%	\$140,808.24	No	Inter-Area
Great Lakes	4931D	4805	255.76	\$1.87	Grand Rapids Annex MI	Lansing PDC MI			Indianapolis STC IN	334	FCM	40%	\$169,738.34	No	Inter-Area
Great Lakes	4931D	4806	255.76	\$1.87	Indianapolis STC IN	Grand Rapids Annex MI			Grand Rapids Annex MI	294	FCM	59%	\$140,808.24	No	Inter-Area
Great Lakes	4931D	4807	255.76	\$1.87	Grand Rapids Annex MI	Lansing PDC MI			Indianapolis STC IN	334	FCM & Priority Mail	33%	\$169,738.34	No	Inter-Area
Great Lakes	4931D	4808	255.76	\$1.87	Indianapolis STC IN	Grand Rapids Annex MI			Grand Rapids Annex MI	294	FCM & Priority Mail	90%	\$140,808.24	No	Inter-Area
Great Lakes	4931D	4810	52.18	\$1.87	Indianapolis STC IN	Grand Rapids Annex MI			Grand Rapids Annex MI	294	FCM	No Data	\$29,587.52	No	Inter-Area
Great Lakes	493L3	1	313.07	\$1.43	Grand Rapids Annex MI	Lansing PDC MI			Cincinnati PDC OH	421	FCM & Priority Mail	81%	\$189,477.53	No	Inter-Area
Great Lakes	493L3	2	313.07	\$1.43	Cincinnati PDC OH	Columbus PDC OH			Grand Rapids PDC MI	424	FCM & Priority Mail	74%	\$189,620.80	No	Inter-Area
Great Lakes	53019	781	307.07	\$1.98	Milwaukee PDC WI	Columbus PDC OH			Louisville PDC KY	414	FCM & Priority Mail	82%	\$251,711.42	No	Inter-Area
Great Lakes	53019	782	307.07	\$1.98	Louisville PDC KY	Milwaukee Anx WI			Chicago NDC IL	411	FCM & Priority Mail	81%	\$249,987.42	No	Inter-Area
Great Lakes	530AE	4601	255.76	\$1.87	Milwaukee PDC WI	Louisville Airport KY			Chicago Metr Surf Hub	411	FCM & Priority Mail	89%	\$129,806.43	No	Inter-Area
Great Lakes	530AE	4802	255.76	\$1.87	Indianapolis STC IN	Indianapolis PDC WI			Milwaukee Anx WI	271	FCM & Priority Mail	86%	\$129,806.43	No	Inter-Area
Great Lakes	530AE	4803	307.07	\$1.87	Indianapolis PDC WI	Milwaukee PDC WI			Indianapolis STC IN	271	FCM & Priority Mail	86%	\$155,813.88	No	Inter-Area
Great Lakes	530AE	4804	307.07	\$1.87	Indianapolis STC IN	Indianapolis PDC WI			Milwaukee PDC WI	271	FCM	97%	\$155,813.88	No	Inter-Area
Great Lakes	530AE	4806	307.07	\$1.87	Milwaukee PDC WI	Indianapolis STC IN			Indianapolis STC IN	271	FCM & Priority Mail	37%	\$155,813.88	No	Inter-Area
Great Lakes	530AE	4808	307.07	\$1.87	Indianapolis STC IN	Milwaukee PDC WI			Milwaukee PDC WI	271	FCM	83%	\$155,813.88	No	Inter-Area
Great Lakes	530EE	3801	255.76	\$1.51	Milwaukee PDC WI	Milwaukee Anx WI			Memphis STC TN	839	FCM & Priority Mail	39%	\$248,770.82	No	Inter-Area
Great Lakes	530EE	3802	255.76	\$1.51	Memphis STC TN	Milwaukee Anx WI			Milwaukee PDC WI	839	FCM	82%	\$248,770.82	No	Inter-Area
Great Lakes	530EE	3803	307.07	\$1.51	Milwaukee PDC WI	Milwaukee Anx WI			Memphis STC TN	839	FCM	64%	\$258,288.77	No	Inter-Area
Great Lakes	530EE	3804	307.07	\$1.51	Memphis STC TN	Milwaukee PDC WI			Milwaukee PDC WI	837	FCM	49%	\$295,381.42	No	Inter-Area
Great Lakes	530L7	1	307.07	\$1.75	Milwaukee PDC WI	Milwaukee Anx WI			Cincinnati PDC OH	400	FCM	88%	\$214,949.00	Yes	Inter-Area
Great Lakes	530L7	2	307.07	\$1.75	Cincinnati PDC OH	Milwaukee Anx WI			Milwaukee PDC WI	404	FCM & Priority Mail	28%	\$217,089.49	Yes	Inter-Area
Great Lakes	530L7	3	307.07	\$1.75	Milwaukee PDC WI	Milwaukee Anx WI			Columbus PDC OH	438	FCM & Priority Mail	62%	\$234,284.41	No	Inter-Area
Great Lakes	530L7	4	307.07	\$1.75	Columbus PDC OH	Milwaukee Anx WI			Milwaukee PDC WI	439	FCM & Priority Mail	14%	\$234,284.41	No	Inter-Area
Great Lakes	530L7	5	307.07	\$1.75	Milwaukee PDC WI	Milwaukee Anx WI			Cleveland PDC OH	460	FCM & Priority Mail	65%	\$247,181.35	No	Inter-Area
Great Lakes	530L7	6	307.07	\$1.75	Cleveland PDC OH	Toledo PDC OH			Milwaukee Anx WI	463	FCM & Priority Mail	47%	\$248,903.47	No	Inter-Area
Great Lakes	530M9	1	307.07	\$1.81	Milwaukee PDC WI	Milwaukee Anx WI			Pittsburgh LDC PA	638	Priority Mail	82%	\$264,888.13	No	Inter-Area
Great Lakes	530M9	2	307.07	\$1.81	Pittsburgh LDC PA	Milwaukee Anx WI			Milwaukee PDC WI	638	Priority Mail	28%	\$264,888.13	No	Inter-Area
Great Lakes	530M9	1	255.76	\$1.85	Milwaukee PDC WI	Milwaukee Anx WI			New Jersey STC NJ	892	FCM	89%	\$422,038.65	No	Inter-Area





**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO GREETING CARD ASSOCIATION INTERROGATORIES**

**GCA/USPS-T6-3.** Please refer to page 9 of your prefiled testimony at lines 17-19. Does the expression "our current service standards" in line 18 refer exclusively to First-Class Mail standards? If your answer is not an unqualified "yes," please specify all service standards which are referred to.

**RESPONSE:**

Yes.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T6-4.** Please refer to your prefiled testimony at page 9, lines 19-21, and page 12, lines 21-23.

(a) Please explain fully why the 24.71 percent reduction cited on page 9 is described as a reduction in "plant-to-plant transportation" and the 13.68 percent reduction cited on page 12 as a reduction in "operating miles."

(b) If the two expressions quoted in (a) are not equivalent, please explain fully how, if at all, they can be made commensurable with one another.

**RESPONSE:**

(a) The 24.39 percent reduction cited on page 9 represents an estimated reduction in "trips" within the plant-to-plant (i.e., long-haul) network.

Please see my response to NPHMU/USPS-T6-11. Because, the potential for trip elimination is much greater in the plant-to-plant network than in the plant-to-post office network, and because it is easier to conceptualize the plant-to-plant network in terms of the individual trips that comprise that network, I evaluated those trips using the criteria discussed in my testimony. Please see my response to GCA/USPS-T6-1(b). In contrast, the transportation analyses contained in AMP studies focus on the operating miles of impacted routes. Therefore, the 13.68 percent reduction cited on page 12 of my testimony is expressed in terms of a reduction in "operating miles." Please see my response to NPHMU/USPS-T6-12.

(b) The two expressions are not equivalent. To convert trips into operating miles, one should multiply the number of miles that a trip takes by the frequency of the trip. For example, if a trip is scheduled to travel ten (10) miles each day and the annual frequency of the trip is three hundred and three (303) days, the number of operating miles for that trip would be three

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**RESPONSE TO GCA/USPS-T6-4 (CONT.):**

thousand and thirty (3030) miles.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO GREETING CARD ASSOCIATION INTERROGATORIES**

**GCA/USPS-T6-5.** Please refer to Figures 3 and 4, on pages 10 and 11 of your prefiled testimony.

(a) Are these Figures intended to show a change in the number of routes and/or the total route miles, without regard to the number of trips per day (or other period) required over each such route? Please explain fully.

(b) Would it be correct to interpret these Figures to mean that the post-rationalization configuration of routes shown in Figure 4 for plant A and its original five post offices was not also used for the pre-rationalization plant A in Figure 3 *solely* because of trip length or trip time restrictions imposed by current service standards? Please fully explain either an affirmative or a negative answer.

**RESPONSE:**

- (a) Figures 3 and 4 were provided only to illustrate how the number of links between hypothetical plants and Post Offices could be reduced as a result of fewer plants in the rationalized network. No conclusions regarding the number of routes, total route miles, or trips per day in the rationalized network should be drawn from Figures 3 and 4.
- (b) Yes. The current service standards limit the distance, and therefore, the amount of time trips can operate. In the rationalized network, trips may be reconfigured to increase the number of service points or stops for that trip.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO GREETING CARD ASSOCIATION INTERROGATORIES**

**GCA/USPS-T6-6.** Please refer to your prefiled testimony at page 12, line 23, through the end of page 13.

(a) You state that "[t]he facility-specific AMP process will ultimately determine the reductions that will occur as a result of the respective plant consolidations expected to be implemented." Should this sentence be interpreted to mean that the reductions will depend, wholly or in part, on how many plant consolidations are implemented, by comparison with the total number of consolidations listed for consideration? Please explain fully.

(b) Would the number of PVS sites ultimately closed (page 13, lines 9-10) depend on the outcome of facility-specific AMP processes, in the same manner as reflected in your response to (a)? Please explain fully.

**RESPONSE:**

- (a) Yes. The reductions will depend on how many plant consolidations are implemented. I anticipate that the number of plant consolidations that are implemented will be a subset of the total number of proposed consolidations.
- (b) Yes. Please see my response to GCA/USPS-T6-6(a).

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL ASSOCIATION OF PRESORT MAILERS INTERROGATORIES**

**NAPM/USPS-T6-1.** Please refer to page 5 where you discuss the AMP studies and how “[e]ach will require its own evaluation of available transportation, how such transportation should be adjusted, and any consequent increases or decreases in transportation costs.”

a. Please confirm that the transportation to and from mailer facilities (DMUs, Plant Loads, etc...) was considered during this process. If confirmed, please provide a detailed explanation of the data used to determine the amount of volume being currently transported from these locations.

b. Please provide the results from PIR analysis of previous facility closures regarding cost and service impacts to mailers and mail service providers who were affected by transportation changes.

**RESPONSE:**

- (a) Confirmed. The information used to determine the amount of volume being transported from these locations is the utilization data which are uploaded to the transportation databases (Surface Visibility or Transportation Information Management Evaluation System). These data, and the method in which they are captured, are discussed in my response to PR/USPS-T6-4.
- (b) The results requested by this part (b) of interrogatory NAPM/USPS-T6-1 cannot be provided because PIR analyses do not provide mailer- or service provider-specific information on cost and service impacts resulting from the closure of a facility. However, all routes that provide transportation to and from a mailer’s plant or a detached mail unit are evaluated in the AMP process to determine the impact to the transportation network and to determine whether changes to any route(s) are required due to the consolidation of a mail processing facility. Results from PIR analyses of previous facility consolidations are provided in USPS-LR-N2012-1/NP12.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL ASSOCIATION OF PRESORT MAILERS INTERROGATORIES**

**NAPM/USPS-T6-2.** Please refer to page 6 of your testimony where you discuss the transportation network between origin and destination processing plants.

- a. For each pair of originating and destinating processing plants in the current network please provide the total volume of First-Class Automation Letter Mail volume that is moved via the air transportation.
- b. For each pair of originating and destinating processing plants in the current network please provide the total volume of First-Class Automation Letter Mail volume that is moved via surface transportation.
- c. For each pair of originating and destinating processing plants in the current network please provide the total volume of First-Class Automation Letter Mail volume that is moved via other transportation modes.
- d. For each pair of originating and destinating processing plants following the proposed network rationalization please provide the estimated total volume of First-Class Automation Letter Mail volume that will be moved via the air transportation.
- e. For each pair of originating and destinating processing plants following the proposed network rationalization please provide the estimated total volume of First-Class Automation Letter Mail volume that will be moved via surface transportation.
- f. For each pair of originating and destinating processing plants following the proposed network rationalization please provide the estimated total volume of First-Class Automation Letter Mail volume that will be moved via other transportation modes.

**RESPONSE:**

When transporting First-Class Mail volume by air or surface transportation modes, the Postal Service does not distinguish between First-Class Automation Letter Mail and any other type of First-Class Mail. The data responsive to parts (a) and (b) are provided in the spreadsheet titled "Current and Proposed Plant to Plant ADV.xls" filed under Library References USPS-LR-N2012-1/64 and USPS-LR-N2012-1/NP15 under the "Current" tab in the spreadsheet. The data responsive to parts (d) and (e) are provided in the same spreadsheet under the "Proposed" tab. Because all specific modes of transportation fall under two general categories, surface and air, there is no data responsive to parts (c) and (f) of this interrogatory.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL ASSOCIATION OF PRESORT MAILERS INTERROGATORIES**

**NAPM/USPS-T6-3.** Please refer to page 7 where you discuss being “[a]ble to reduce the number of plant-to-plant links in the transportation network so that there is only one plant-to-plant link between the remaining two network nodes”

- a. Please confirm whether the reduction in the number of plant-to-plant links is focused exclusively on the network between Postal Service facilities. If not confirmed, please provide a detailed description of the transportation nodes between mailer and mail service provider facilities and the Postal Service plant included in your new network?

**RESPONSE:**

- (a) Confirmed.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL ASSOCIATION OF PRESORT MAILERS INTERROGATORIES**

**NAPM/USPS-T6-4.** Please refer to page 12 of your testimony where you discuss being able to, “[c]reate new opportunities for the Postal Service to transport such mail to delivery units and transport collection mail to the processing plant in combined trips, as opposed to separate trips, thereby improving the efficiency of the plant-to-Post Office network.”

- a. Please confirm whether under the proposed network rationalization plan mail ready for delivery will be dropped at the delivery office and the collection mail will be picked up in a single transportation run. If confirmed, please provide a detailed explanation as to when the Postal Service plans to pick up collection mail (i.e., in the early evening as you do today or rather picking it up in the middle of the night or early morning when you drop the delivery mail). If not confirmed, please explain fully.
- b. Please confirm whether the mail cancellation process will remain as it is today. If confirmed, please provide a detailed explanation as to how your transportation network will pick up collection mail and drop carrier ready mail. Will you pick up mail and drop delivery ready mail in late afternoon and early evening? Will you pick up mail and drop delivery ready mail early in the morning?
- c. Please confirm whether the new network will require current DOV (dispatch of value) times to be moved to an earlier time. If confirmed please provide a detailed explanation of how the change in DOV times will this impact the CAT for customers entering commercial mailings. Please also identify locations that will have their CATs moved earlier. If not confirmed, please explain fully.

**RESPONSE:**

- (a) Partially confirmed. The Postal Service plans to establish single transportation runs that will drop off mail that is ready for delivery and pick up any collection mail that is available at the drop off location (i.e., the delivery office). The Postal Service intends to design the transportation network in a manner that will enable it to pick up collection mail and transport such mail to the appropriate mail processing facility on the same day. Actual times for the drop off and pick up of mail will vary depending on the design of the route. However, the Postal Service intends to design routes in a manner that will ensure that collection mail is delivered to the appropriate mail processing plant prior to the critical entry time for

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL ASSOCIATION OF PRESORT MAILERS INTERROGATORIES**

**RESPONSE TO NAPM/USPS-T6-4 (CONT.):**

cancellation and outgoing processing on the day of acceptance (i.e., "Day Zero").

- (b) My understanding is that the cancellation process will remain the same under the rationalized network. Please see my response to NAPM/USPS-T6-4(a).
- (c) Because the transportation network is not finalized, I am unable to confirm whether new network will require current DOV (dispatch of value) times to be moved to an earlier time. However, under the proposed rationalized network, the Postal Service will continue to ensure that DOVs and Critical Acceptance Times (CATs) are appropriately aligned so that business mailings will be transported to the appropriate mail processing facility by the Day-Zero critical entry time.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-1.** Did you or the USPS create, design, or map a comprehensive proposed transportation network that indicates the origin, destination, distance, annual frequency, carrier (i.e., PVS or HCR) and time of occurrence for each surface transportation route that will either provide mail to or receive mail from any gaining facility in the USPS' MNPR Network?

**RESPONSE:**

No.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-2.** If your answer to Interrogatory NPMHU/ USPS - T6-1 is no, identify any category of information described in NPMHU/ USPS - T6-1 that the Postal Service's model presently lacks.

**RESPONSE:**

To the extent that the response pertains to the "transportation network" discussed in NPMHU/USPS-T6-1, the question cannot be answered as stated since no such model exists. To the extent that the response pertains to the network model discussed by witness Emily Rosenberg (USPS-T-3) in her direct testimony, the Postal Service's model lacks all of the categories described in NPMHU/USPS-T6-1.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-3.** Referring to the subset of routes you analyzed in part II.B of your testimony USPS-T-6 (and identified on the spreadsheet entitled "Plant to Post Office" of LR-N2012-1/11):

- (a) Confirm that this subset does not constitute a statistically random sampling, or a representative sampling, of the full set of routes that will be altered, eliminated, or added as a result of the USPS' MNPR
- (b) Confirm that you selected the subset of routes you analyzed in part II.B of your testimony USPS-T-6 (and identified on the spreadsheet entitled "Plant to Post Office," LR-N2012-1/11) solely on the basis that these AMP studies were the first completed;
- (c) Confirm that there was no reason related to your analysis that these particular AMP studies were the first completed.
- (d) If any of (a) through (c) is not confirmed, please explain why these statements are not accurate.

**RESPONSE:**

- (a) Confirmed.
- (b) Confirmed.
- (c) Confirmed.
- (d) N/A

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-4.** Does the list of routes contained in the spreadsheet "Plant to Plant Trips" (LR-N2012-1/11) represent the entirety of USPS ground transportation routes for transfer of mail between USPS mail processing facilities?

**RESPONSE:**

No.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-5.** For each plant-to-plant surface transportation trip that will form part of the MNPR Network, please identify the trip and provide the same categories of information for that trip as are provided for the trips listed in the spreadsheet "Plant to Plant Trips," LR-N2012-1/11. Please provide the USPS' best estimate of the "Trip Miles" and "Utilization" for each such trip.

**RESPONSE:**

This interrogatory presupposes that each surface transportation trip that will form part of the MNPR Network has been identified by the Postal Service. As I stated in my testimony, the Postal Service is conducting Area Mail Processing ("AMP") consolidation reviews on selected mail processing facilities. See USPS-T-6, at 5. Each AMP review will include an evaluation of the available transportation between the gaining and losing facility, how such transportation should be adjusted, and any consequent increases or decreases in transportation costs. Until postal management issues a final decision to consolidate a specific facility, any study that has been generated as part of a consolidation review is subject to review, reevaluation, modification, and possibly withdrawal. This includes any of the fourteen studies that were included in the analysis supporting my testimony in this docket. Because the Postal Service has not made final decisions with respect to the vast majority of AMP reviews associated with this docket, and because the design of the transportation network (including the plant-to-plant portion of the network) is dependent upon the outcome of such final decisions, it not possible to provide a response to this interrogatory that is both complete and final at this time.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**RESPONSE TO NPMHU/USPS-T6-5 (CONT.):**

The Postal Service anticipates that all final decisions concerning the AMP reviews associated with this docket will be issued by postal management in mid to late February, 2012. I intend to provide a full and complete response to this interrogatory (NPMHU/USPS-T6-5) within a reasonable period of time after the announcement of those final decisions.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-6.** In designing transportation routes for the MNPR Network, did you or the USPS account for delays:

- a) caused by traffic, including but not limited to regular traffic delays occurring in municipal areas around rush hour (i.e., 7-10AM and 4-7PM)?
- b) caused by regularly occurring weather patterns, such as snow in New England and certain Western states?
- c) If the answer to either (a) or (b), please explain how these factors were accounted for, and provide supporting documentation for these calculations.

**RESPONSE:**

Please be advised that the design of the rationalized transportation network is not yet complete. Please see my response to NPMHU/USPS-T6-5.

- (a) With respect to new trips, yes. With respect to existing trips that will remain in the rationalized network, no.
- (b) With respect to new trips, yes. With respect to existing trips that will remain in the rationalized network, no.
- (c) Operating conditions that could prevent a trip from reaching its destination on time are considered when planning new trips. These conditions include time of day (to account for traffic congestion), road closures, detours and required stops (e.g., for tolls and weigh stations.

Consideration of these conditions is essential to determining the amount of time that should be allotted for timely completion of a trip.

Transportation planners utilize common software applications, such as PC Miler, to obtain estimated distance between origins and destinations, the practical line of travel, posted speed limits and total trip time. Trip time operating parameters can be adjusted to lower the operating speed of a trip to account for any local operating conditions that are identified by local

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
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**RESPONSE TO NPMHU/USPS-T6-6 (CONT.):**

officials. Additionally, the Postal Service may elect to survey a route to evaluate such conditions and adjust the trip time in order to minimize or avoid delays. Supporting documentation is not retained in the ordinary course of business.

Existing trips that will remain in the rationalized network are assumed to incorporate a realistic amount of time to account for the operating conditions discussed above.

.....

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
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**NPMHU/USPS-T6-7.** In calculating transportation time and revised service standards in the proposed MNPR Network, did you or the USPS account for delays:

- a) caused by traffic, including but not limited to regular traffic delays occurring in municipal areas around rush hour (i.e., 7-10AM and 4-7PM)?
- b) caused by regularly occurring weather patterns, such as snow in New England and certain Western states?
- c) If the answer to either (a) or (b), please explain how these factors were accounted for, and provide supporting documentation for these calculations.

**RESPONSE:**

- (a) With respect to transportation time, yes. With respect to the revised service standards, no.
- (b) With respect to transportation time, yes. With respect to the revised service standards, no.
- (c) With respect to transportation time, please see my response to NPMHU/USPS-T6-6. With respect to the revised service standards, I understand that these factors were not considered.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-8.** With respect to the “intermediate location[s] or hub[s]” (USPS-T-3, at 8) or any other kind of transportation hubs or centers, if any, that will be required to support the MNPR transportation network, identify:

- (a) The estimated number of such hubs that will be required;
- (b) The location of each such hub;
- (c) The estimated number and size of the PVS or HCR vehicles that would load and unload mail at each such hub; and
- (d) Whether any of the required hub locations already exist within the USPS network and, if so, identify the location, the number of docking ports, total square footage of dock space, the number of 53’ trucks that can be docked at any one time, and the number of access roads to the facility’s docking space.

**RESPONSE:**

- (a) The estimated number of intermediate locations or hubs that will be required to support the rationalized network will depend on the outcome of the AMP review process. Because that process has not been completed with respect to the vast majority of consolidation reviews, I cannot provide a response to this interrogatory part.
- (b) Please see the response to part (a).
- (c) Please see the response to part (a).
- (d) Please refer to my response to NPMHU/USPS-T6-10. Because it is unclear where such hubs will be established, the location, the number of docking ports, total square footage of dock space, the number of 53’ trucks that can be docked at any one time, and the number of access roads to the facility’s docking space for those hubs is unknown. Additionally, the number of access roads to a facility’s docking space is not information that is within the Postal Service’s domain. The Postal Service submits that such information is widely available to the public via

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**RESPONSE TO NPMHU/USPS-T6-8 (CONT.):**

web mapping service applications and technologies provided by third parties (e.g., Google).

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-9.** Confirm that some portion of the processing facilities slated to be consolidated under the MNPR might need to remain open, at least in part, as an intermediate docking location or mail transfer hub. If not confirmed, please explain why this statement is incorrect.

**RESPONSE:**

Not confirmed. The question suggests that some portions of all processing facilities that are candidates for consolidation under MNPR might need to remain open, at least in part, as an intermediate docking location or mail transfer hub.

The Postal Service anticipates that only some portions of some processing facilities that are candidates for consolidation under MNPR might need to remain open. Additionally, those facilities that remain open may only remain open temporarily.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-10.** Describe all plans for construction, purchases, leasing, alterations, and/or remodeling that would be required for the establishment of the required intermediate location or hubs, including by identifying any costs associated with any such construction, purchase, leasing, alteration, and/or remodeling.

**RESPONSE:**

The Postal Service has no plans for construction, purchases, leasing, alterations, and/or remodeling in connection with the establishment of any required intermediate location or hubs. Additionally, because the Postal Service anticipates that any required hub locations will be at an existing facility, such as a deactivated USPS facility or at a supplier's facility, no such costs are anticipated.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T6-11.** Please confirm that your estimate of a 24.71% reduction in Plant-to-Plant transportation, as stated on page 9 of your testimony, is based on a projected reduction in the number of Plant-to-Plant trips, and not based on a reduction in the number of operating miles or some other figure. If not confirmed, please explain what this figure is based upon.

**RESPONSE:**

On March 20, 2012, the Postal Service filed errata to the Direct Testimony of Cheryl Martin (USPS-T-6). On March 19, 2012, the Postal Service filed errata to library reference USPS-LR-N2012-1/11. Among the changes was a revision to the estimated percent reduction in Plant-to-Plant transportation of 24.71 percent. The revised figure is 24.39 percent. With this understanding, the statement in the interrogatory is confirmed.

Revised March 20, 2012

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-12.** Please confirm that your estimate of a 13.68% reduction in Plant-to-Post-Office transportation, as stated on page 12 of your testimony, is based on a projected reduction in the number of miles travelled, and is not a projection of a reduction in cubic-foot miles of transportation (as that phrase is used by witness Bradley) or some other calculation. If not confirmed, please explain what this figure is based upon.

**RESPONSE:**

Confirmed.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-13.** On page 11 of your testimony, you state that "[b]y reducing the number of plant-to-Post Office links within a defined geographic area and collapsing two service areas into one, the Postal Service will be able to reduce the number of operating miles within that area. Please confirm that this conclusion is based solely on your analysis on a subset of routes in the network (see USPS-LR-N2012-1/11). If not confirmed, please explain why this statement is incorrect.

**RESPONSE:**

Not confirmed. The statement is based on my conceptual understanding of the transportation network and transportation operations, as informed by my professional experience.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-14.** Please provide:

- (a) the average utilization of PVS and [HCR] trucks in transporting USPS mail within the contiguous United States;
- (b) the average estimated utilization by PVS and [HCR] trucks in transporting USPS mail within the contiguous United States in the proposed MNPR network.

**RESPONSE:**

- (a) The interrogatory cannot be answered as it is currently stated because it does not specify the time period for which the average utilization is sought. Additionally, the interrogatory does not specify whether it is seeking data that is trip specific or whether it is seeking an aggregate figure that represents average utilization over all trips. Finally, the question does not specify whether the averages for PVS and HCR should be aggregated or disaggregated.
- (b) The average estimated utilization by PVS and HCR trucks in transporting USPS mail within the contiguous United States in the proposed MNPR network is unknown because the transportation network has not been modeled. Please see my response to NPMHU/USPS-T6-2. Additionally, because the design of the transportation network is dependent upon the outcome of the AMP process, the average estimated utilization by PVS and HCR trucks in transporting USPS mail within the contiguous United States in the proposed MNPR network cannot be determined at this time.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-15.** Referring to Library Exhibit N2012-1/11, please update the sheet showing plant-to-plant routes with the planned routes and estimated utilization percentages under the MNPR, assuming all pending AMP studies are approved.

**RESPONSE:**

Please see my response to NPMHU/USPS-T6-5. The Postal Service anticipates that all final decisions concerning the AMP reviews associated with this docket will be issued by postal management in mid to late February, 2012. I intend to provide a full and complete response to this interrogatory (NPMHU/USPS-T6-15) within a reasonable period of time after the announcement of those final decisions.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-16.** Please describe the limits, if any, that you placed on the percentage planned utilization for surface transportation routes – both Plant-to-Plant routes, as well as Plant-to-Post-Office routes – in designing or modeling the “rationalized” transportation network that serves as the basis for the trip- and mileage-reductions identified in USPS-LR-N2012-11/1.

**RESPONSE:**

No such limits were used in the analysis underlying USPS-LR-N2012-1/11. With respect to plant-to-plant utilization, the Postal Service has established a capacity utilization target of 70 percent. Please see my response to PR/USPS-T6-4.

Utilization was not considered in my analysis of Plant-to-Post-Office routes.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-17.** Please describe how the rationalized transportation network that you designed and that serves as the basis for the trip- and mileage-reductions identified in USPS-LR-N2012-11/1 accounts for fluctuations in the amount of mail transported over a given surface route and the potential for such fluctuations to result in amounts that exceed the load capacity of the given transportation vehicle.

**RESPONSE:**

Please be advised that the design of the rationalized transportation network is not yet complete. Please see my response to NPMHU/USPS-T6-5. To estimate the capacity that is required for a particular trip, my office uses data collected from a normal volume period, usually over a fourteen (14) consecutive day-period in April or October. Please see my response to PR/USPS-T6-4 (a). However, in situations where mail volume exceeds the capacity limit of a trip, mail may be transported by utilizing capacity on other available trips, by re-routing trips if there is time to achieve on-time arrival at destination, or by scheduling an extra trip move the mail. Additionally, repeated use of extra trips is monitored over a period of time, generally one month, to evaluate patterns of use and mail volume. This information enables the Postal Service to determine whether an additional trip should be added to the route on a regular basis in order to accommodate reoccurring and anticipated fluctuations in mail volume. Such additional trips can be tailored to address the specific volume fluctuations (e.g., if the volume on a route typically increases on a particular day of the week or month, the Postal Service can add a trip that only runs on that particular day). Please see my response to PR/USPS-T6-4(b).

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-18.** For each Gaining Facility in the MNPR Network, and assuming that any pending AMP studies related to that Gaining Facility are approved, provide the number and size of the PVS or HCR vehicles that would daily load and unload mail at that facility according to the MNPR and the time frame for such loading and unloading.

**RESPONSE:**

Please see my response to NPMHU/USPS-T6-5. The Postal Service anticipates that all final decisions concerning the AMP reviews associated with this docket will be issued by postal management in mid to late February, 2012. I intend to provide a full and complete response to this interrogatory (NPMHU/USPS-T6-18) within a reasonable period of time after the announcement of those final decisions.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-19.** Referring to Library Reference N2012-1/11 associated with your testimony:

- (a) Please explain why approximately 65 routes have “no data” associated with the utilization column.
- (b) Please explain how certain routes can have average utilization of 100%, or close to 100% utilization, and how utilization of 100% or close to 100% can accommodate fluctuations in mail volume.
- (c) Please explain how certain routes can have average utilization of 0%
- (d) Please explain why certain routes have extremely low utilization, including those routes with utilization of under 20%. For instance, is it accurate that 307 times per year, the Postal Service is sending a truck 96 miles from the Mid-Hudson PDC to the Albany PDC with an average utilization of 1%?
- (e) Please explain what steps you or the Postal Service has taken to ensure that the utilization figures in this table, which you state in your response to PR/USPS-T6-4, “reflect an average utilization over a 14 day period in early October 2011” are representative of the average utilization for those routes.

**RESPONSE:**

- (a) Possible reasons why certain trips have “no data” in the “utilization” column include the following: (1) the trip either departs from or arrives at a mailer’s plant where there is no ability to record (scan) transportation data; (2) the trip operates on a holiday only and there was no holiday during the data collection period; (3) the trips is required on an “as needed basis” and was not required to operate during the data collection period; and (4) no data were captured at an origin mail processing plant for trips prior to dispatch.
- (b) Please see my responses to PR/USPS-T6-4 and NPMHU/USPS-T6-17.
- (c) Trips can average 0 percent utilization when there is no volume available for transport. This situation generally occurs when there is an imbalance

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
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**RESPONSE TO NPMHU/USPS-T6-19 (CONT.):**

in mail volume. For example, a trip may depart with 100 percent utilization going in one direction but may return with no volume.

- (d) Please see my response to part (c) of this interrogatory. Additionally, there could be a requirement for capacity in only one direction to support the overnight delivery of Express Mail and First-Class Mail volumes. The statement in the second sentence is correct.
- (e) The October data period collected represents a normal-volume month and is based on fourteen (14) consecutive days. This period excludes low-volume periods, such as June through August, and higher-volume periods, such as November through January, which if included, would skew utilization statistics if they were included in the study. Please see my response to NPMHU/USPS-T6-17.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-21.** In your response to Public Representative Interrogatory PR/USPS-T6-6, you state that increases in transportation costs “are accounted for in the transportation portion of each AMP study.” For each of the proposed consolidations listed in Library Reference N2012-1/6, please provide any estimates of increases or decreases in transportation costs that the Postal Service has calculated as part of the ongoing AMP process, without regard to whether the AMP study in question has been approved, withdrawn, or is currently under review.

**RESPONSE:**

Please see my response to NPMHU/USPS-T6-5. The Postal Service anticipates that all final decisions concerning the AMP reviews associated with this docket will be issued by postal management in mid to late February, 2012. I intend to provide a full and complete response to this interrogatory (NPMHU/USPS-T6-21) within a reasonable period of time after the announcement of those final decisions. With respect to the fourteen (14) AMP studies that were included in the analysis supporting my testimony, the responsive information is provided in the table on the following page:

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**RESPONSE TO NPMHU/USPS-T6-21 (CONT.):**

**Plant to Post Office - Estimated Transportation Cost**

	<b>Study Site</b>	<b>Gaining Site</b>	<b>Estimate Cost</b>
AMP	1 Grand Island NE PDF	Omaha NE PDC	\$ (130,130)
AMP	2 Eau Claire WI PDF	Saint Paul MN PDC	\$ (411,727)
AMP	3 LaCrosse WI PDF	Saint Paul MN PDC	\$ (321,688)
AMP	4 Rochester MN PDF	Saint Paul MN PDC	\$ (98,686)
AMP	5 Duluth MN PDF	Saint Paul MN PDC	\$ (348,876)
AMP	6 Lafayette LA PDF	Baton Rouge LA PDC	\$ (681,039)
AMP	7 Norfolk NE PDF	Omaha NE PDC	\$ (258,247)
AMP	8 Quincy IL PDF	Columbia MO PDF	\$ (228,395)
AMP	9 Owensboro CSMPC KY	Evansville PDF IN	\$ (65,673)
AMP	10 Campton KY CSMPC	Louisville KY PDC	\$ (204,582)
AMP	11 Bloomington IN MPA	Indianapolis IN PDC	\$ (72,862)
AMP	12 Kalamazoo MI PDC	Grand Rapids MI PDC	\$ (884,180)
AMP	12 South FL PDC	Miami FL PDC	\$ (229,893)
AMP	14 Lancaster PA PDC	Harrisburg PA PDC	\$ (101,554)
		<b>Decrease</b>	<b>\$ (4,037,532)</b>

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-22.** Referring to Library Reference N2012-1/27:

- a) Please confirm that these tables include both Plant-to-Plant miles and Plant-to-Post-Office miles; and if not confirmed please explain how this statement is wrong.
- b) For those files that contain blanks or number signs (i.e., ###) in the line listing annual savings by facility, please provide the numbers.
- c) Please explain why there is so much variability in the current cost per mile (e.g., in routes associated with Duluth, MN, the cost per mile varies from \$.89 per mile to \$3.44 per mile).
- d) Please explain how you determined the proposed cost per mile, and your basis for determining that the proposed cost was reasonable, given the variability discussed above.
- e) Please confirm that the number of trips in both the gaining and losing facilities does not change from the current trips to the proposed trips; if not confirmed, please identify specific AMP studies contained in N2012-1/27 that do show changes in the number of trips.
- f) Will the number of trips in the proposed MNPR be the same as the number of trips in the current network? If not, please provide the expected change.

**RESPONSE:**

- (a) Confirmed.
- (b) The only instance in which an AMP file did not contain annual savings by facility is the Quincy IL. HCR Annual Savings (Gaining Facility) should read (\$1,096,622).
- (c) Variability in costs per mile can be due to the distance of a route. Shorter distance routes tend to have a higher cost per mile because total operating cost is spread over few operating miles. The cost per mile for the Duluth, MN AMP is an outlier because the route includes a very low rate for transporting a passenger vehicle between origin and destination. Because the length of the trip exceeds the legal driving limit, drivers utilize the passenger vehicle to return to the point of origin. In other words, drivers perform service in one direction by truck and then use the

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**RESPONSE TO NPMHU/USPS-T6-22 (CONT.):**

passenger vehicle to travel back to the origin. The passenger vehicle is not involved in the pick up or delivery of mail volume. The cost per mile negotiated is very low for this segment of the route and uncharacteristic for plant to post office transportation routes.

- (d) The cost per mile is determined by the final price negotiated by the Postal Service with the supplier for the required service. Because the cost per mile is the end product of a competitive bidding process and arms-length negotiations between the supplier and the Postal Service, the final, agreed-upon cost per mile is assumed to be reasonable.
- (e) Not confirmed. All AMP studies contained in USPS-LR-N2012-1/27 show changes in the number of trips.
- (f) No. The expected change cannot be provided at this time. Please see my response to NPMHU/USPS-T6-5.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES**

**NPMHU/USPS-T6-23.** In response to PR/USPS-T6-12(e), you stated that your office estimates “proposed [transportation] costs which are often lower than the proposed costs developed by the field.” Please explain why the cost estimates developed by your office are often lower than the cost estimates developed by the field.

**RESPONSE:**

In conducting the review of AMP proposals, my office performs a more comprehensive review of the transportation analysis performed by the initiating office. In so doing, my office can identify additional opportunities to increase efficiency and reduce costs, such as through the realignment of transportation or the consolidation of trips that may have been overlooked by the initiating office. My office also evaluates the accuracy of AMP submissions and corrects any errors that have overstated (or in some cases, understated) the proposed cost.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
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**NPMHU/USPS-T6-24.** In response to PR/USPS-T6-12, you stated that you will update your testimony in this docket “[w]hen all of the AMP studies relevant to this docket have been completed.” Please update your testimony, including by providing updated estimates of costs savings and updated estimates of reductions or increases in operating miles, with all of the AMP studies completed as of February 15, 2012.

**RESPONSE:**

Please see my response to NPMHU/USPS-T6-5.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
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**NPMHU/USPS-T6-25.** Please explain how you or the Postal Service accounted for dock capacity at individual facilities when developing the MPNR network. In your answer, please describe any plans for increasing dock capacity at any facility, and please provide any figures for current dock capacity utilization at facilities that will remain in the proposed MPNR network.

**RESPONSE:**

Dock capacity at individual facilities is not being considered in the development of the rationalized network. Additionally, I am unaware of any plans for increasing dock capacity at any facility. The revised service standards proposed in this docket will expand the arrival and departure profile thereby enabling the Postal Service to reduce the number of trips in the transportation network. This reduction should have suppressive effect on dock capacity utilization. Please see my response to NPMHU/USPS-T6-8.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
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**NPMHU/USPS-T6-26.** Your testimony indicates that, in the MPNR network, an increased percentage of mail will be carried by HCR rather than PVS.

- (a) What guarantees do the HCR contractors give the USPS that they will be able to transport the mail within the time frames established by the Postal Service and handle increased mail volume associated with volume variability?
- (b) Please provide a sample HCR contract.

**RESPONSE:**

(a-b) An HCR contract is provided as an attachment to this response.

Transportation service requirements are set forth in section B.3 of the contract.

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## Section B. Statement of Work and Specifications

HCR 54130, GREEN BAY P&amp;DC,WI - TOWNSEND,WI

## B.1 SCHEDULE, FREQUENCY, AND SERVICE REQUIREMENTS

## B.1.1 Schedule

A	A	PART				A	A
3	1	TRIP		TIME	NASS	2	4
Q7	Q7	FREQUENCY		ZONE	CODE	K7	Q7
-----							
0500	0430	LOAD/UNLOAD/CASE				1905	
-----							
0525	0515	Lv GREEN BAY P&DC,WI		CT Ar	541	1855	0650
0545	--	Ar PULASKI,WI		CT Lv	54162	1835	--
0555	--	Lv PULASKI,WI		CT Ar	54162	1830	--
0605	--	Ar KRAKOW,WI		CT Lv	54137	1820	0615
--	--	Lv KRAKOW,WI		CT Ar	54137	1815	--
--	0555	Ar GILLETT,WI		CT Lv	54124	1755	--
--	0605	Lv GILLETT,WI		CT Ar	54124	1750	--
--	0620	Ar SURING,WI		CT Lv	54174	1735	--
--	0630	Lv SURING,WI		CT Ar	54174	1730	--
--	0650	Ar MOUNTAIN,WI		CT Lv	54149	1705	--
--	0655	Lv MOUNTAIN,WI		CT Ar	54149	1700	--
--	0710	Ar LAKEWOOD,WI		CT Lv	54138	1645	--
--	0715	Lv LAKEWOOD,WI		CT Ar	54138	1640	--
--	0725	Ar TOWNSEND,WI		CT Lv	54175	1630	--
-----							
0615	0730	LOAD/UNLOAD/CASE				1625	
-----							
SB1155	SB1155	VEHICLE REQMT				SB1155	SB1155
23.9	73.8	MILEAGE				73.7	21.5

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A	PART			A	A
5	TRIP	TIME	NASS	6	8
G7	FREQUENCY	ZONE	CODE	G7	CC
0630	LOAD/UNLOAD/CASE				0920
0730	Lv GREEN BAY P&DC, WI	CT Ar	541	1150	0915
0750	Ar PULASKI, WI	CT Lv	54162	--	--
0800	Lv PULASKI, WI	CT Ar	54162	--	--
0810	Ar KRAKOW, WI	CT Lv	54137	--	--
0815	Lv KRAKOW, WI	CT Ar	54137	--	--
0835	Ar GILLETT, WI	CT Lv	54124	--	--
0845	Lv GILLETT, WI	CT Ar	54124	--	--
0900	Ar SURING, WI	CT Lv	54174	--	--
0910	Lv SURING, WI	CT Ar	54174	--	--
0930	Ar MOUNTAIN, WI	CT Lv	54149	--	--
0940	Lv MOUNTAIN, WI	CT Ar	54149	--	--
0950	Ar LAKEWOOD, WI	CT Lv	54138	--	--
0955	Lv LAKEWOOD, WI	CT Ar	54138	--	--
1000	Ar TOWNSEND, WI	CT Lv	54175	1005	0730
1005	LOAD/UNLOAD/CASE				
SB1155	VEHICLE REQMT			SB1155	SB1155
73.7	MILEAGE			72.0	72.0

B.1.2 Frequency Explanations

FREQUENCY IDENTIFICATION	ANNUAL TRIPS
CC Martin Luther King, Jr.'s Birthday, Washington's Birthday, Columbus Day and Veterans Day	4
G7 Sundays and holidays except Martin Luther King, Jr.'s Birthday, Washington's Birthday, Columbus Day and Veterans Day	58.18
K7 Daily except Sundays and holidays	303.07
Q7 Daily except Sundays and holidays other than Martin Luther King, Jr.'s Birthday, Washington's Birthday, Columbus Day and Veterans Day	307.07

B.1.3 Service Requirements

\*\*\*\*\*METRO COLLECTION NOTE \*\*\*\*\*

METRO COLLECTION PICK UP AT ALL OFFICES ON TRIP 2 ON SATURDAYS AND ON TRIPS 1 AND 3 ON NON-WIDELY OBSERVED HOLIDAYS.

- \*1. Estimated annual schedule miles: 67,704.0
- \*\*2. Estimated annual schedule hours: 2,610.0

\* The distance stated in this contract is believed to be substantially

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correct. The pay will neither be increased nor decreased if the actual distance is greater or less provided the points supplied are correctly stated.

\*\* The estimated annual hours are approximately the number of hours needed to operate the trips as they are shown in the schedule. Also included in the total estimated annual hours are the number of hours needed for dock sortation, loading and unloading.

\*\*\* See the contract Terms and Conditions for further information regarding miles and hours.

#### B.1.4 Work Requirements

The supplier may be required to load and unload as outlined below:

a. Approximate daily average loading and unloading times at the headout and terminus office (or applicable office(s)) are as follows:

##### DOCK SORTATION AND LOADING:

Trip	Office	START	END
1	GREEN BAY P&DC, WI	04:30	05:15
2	PULASKI, WI	18:30	18:35
2	KRAKOW, WI	18:15	18:20
2	GILLETT, WI	17:50	17:55
2	SURING, WI	17:30	17:35
2	MOUNTAIN, WI	17:00	17:05
2	LAKWOOD, WI	16:40	16:45
2	TOWNSEND, WI	16:25	16:30
3	GREEN BAY P&DC, WI	05:00	05:25
5	GREEN BAY P&DC, WI	06:30	07:30

##### UNLOADING:

Trip	Office	START	END
1	GILLETT, WI	05:55	06:05
1	SURING, WI	06:20	06:30
1	MOUNTAIN, WI	06:50	06:55
1	LAKWOOD, WI	07:10	07:15
1	TOWNSEND, WI	07:25	07:30
2	GREEN BAY P&DC, WI	18:55	19:05
3	PULASKI, WI	05:45	05:55
3	KRAKOW, WI	06:05	06:15
5	PULASKI, WI	07:50	08:00
5	KRAKOW, WI	08:10	08:15
5	GILLETT, WI	08:35	08:45
5	SURING, WI	09:00	09:10
5	MOUNTAIN, WI	09:30	09:40
5	LAKWOOD, WI	09:50	09:55
5	TOWNSEND, WI	10:00	10:05
8	GREEN BAY P&DC, WI	09:15	09:20

b. Sufficient time for loading and unloading at intermediate office(s) is

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included in the en route schedule.

- c. At offices where postal personnel are on duty, supplier will inquire prior to departure to determine if all mail has been tendered.
- d. Supplier will be required to spot loads where applicable upon arrival at destinations as directed by a postal official. Supplier will also be required to pick up outbound loads at location(s) directed by a postal official prior to departure.
- e. In order to maintain schedule, postal personnel may assist with loading and unloading.
- f. The Administrative Official for this route is located at GREEN BAY P&DC WI.
- g. The supplier will be required to report in sufficient time to load and depart on schedule.
- h. The supplier will be required to load, transport, and unload all classes of mail at the headout, en route, and destinating offices.
- i. The supplier may be assigned lobby/vestibule keys and/or a scanning device to be used in the delivery and collection of mail along the contract route. These are accountable items that must be signed out prior to the start of the designated trip(s) and turned in at the end of the trip(s). Loss, negligent damage, or failure to turn in accountable item(s) as scheduled may result in assessment of damages or termination of the contract.

## B.2 VEHICLE REQUIREMENTS AND SPECIFICATIONS

- a. The number of vehicles identified below is the minimum vehicle requirement. The supplier will also be required to have readily available sufficient stand-by equipment of the type(s) listed below to perform extra trips, to permit vehicle maintenance, and to prevent delays in emergencies such as mechanical failures and poor weather conditions.
- b. All equipment shall be presented for inspection at the location and time indicated by the contracting officer or authorized representative. Equipment used on the contract must at all times be maintained in a condition that reflects favorably on the Postal Service and is acceptable to the contracting officer or authorized representative for the full term of the contract and any subsequent renewals that might be negotiated.
- c. The supplier will be required to provide as a minimum the vehicle(s) indicated below:

TYPE OF VEHICLE	CUBES	NUMBER
Van	1155	2

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## SPECIFIC VEHICLE REQUIREMENTS

## 1. Van (1155 cubes)

## CARGO COMPARTMENT MEASUREMENTS

INTERIOR	EXTERIOR
Minimum Length 22	Maximum Length 36
Minimum Width 7.5	Maximum Width 8.5
Minimum Height 7	Maximum Height 13.5
Minimum usable load space 1155 cubic feet	

Bed Height (from ground): 48 inch minimum to 52 inch maximum

a. The minimum acceptable gross vehicle weight rating (GVW/GCW) for the vehicle(s) listed above must equal or exceed the combined weight of the following:

1. The curb weight of the vehicle;
2. An operating crew's weight of 600 pounds; and
3. A payload weight of 12,500 pounds.

SPECIAL NOTE: The vehicle curb weight includes the weight of the vehicle with all installed attachments, accessories, equipment and a full complement of fuel, lubricants and coolant.

b. Each vehicle must have a power lift tailgate with minimum dimensions of 42 inches deep and 72 inches wide. Minimum lift capacity must be rated at 2500 pounds from ground level.

c. Interior side and front walls of the cargo compartment must be fully covered with 1/4" plywood, floor to ceiling. Installation of a durable flat sheet scuff liner (metal, fiberglass, etc.) is also required and must be bonded over the plywood without any protruding fasteners. Two bands of scuff lining must be applied to the full length of each interior side wall and the front wall; one band 26 inches wide positioned from the floor to a height of 26 inches and a second band 6 inches wide positioned immediately above the upper retainer rail or, in the absence of an upper rail, 67 inches on center above the floor.

The Postal Service intends to transport mail loaded on pallets, in wheeled containers, metal and non-metal containers, in sacks and loose loaded. The cargo compartment must be constructed so that it is protected from damage during loading and unloading by either manual or mechanized methods.

d. The cargo compartment must be equipped with a load restraint system and door saver as indicated in Specification B and Specification D. The cargo compartment must also be equipped with 2 metal E-type shoring bar(s) and 8 ratchet type restraining strap(s).

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- e. Rear door must be full roll-up type equipped with security locking device, safety chain, pull down strap and fork lift plates as indicated in Specification E.
- f. Each cargo compartment must have interior lights which are adequate to provide sufficient light for safe loading and unloading and operate off the electrical system of the vehicle.
- g. Each vehicle must, at a minimum, be licensed to carry the combined vehicle curb weight, crew weight and payload weight specified above. The suspension and tires on vehicle(s) must be compatible with the gross axle weight rating.
- h. The supplier shall equip each vehicle or supply each driver with a cellular phone to enable the Postal Service or the driver to initiate two-way communications. The supplier/driver must observe all federal/state/local laws regarding the use of cellular communications. The vehicle shall not be in motion during communications. The supplier/driver will be required to notify the postal authority at the appropriate service point on the route if a delay in excess of fifteen (15) minutes is anticipated. (The Postal Service assumes no liability for phone piracy experienced by the supplier or unauthorized use of the cellular phone.)

### B.3 GENERAL REQUIREMENTS AND PROHIBITIONS

The supplier shall provide transportation services as specified in this Statement of Work and Specifications.

#### a. Sanctity of the Mail

The supplier shall carry all mail tendered for transportation under this contract, whatever may be its size and weight, with certainty, celerity, and security, in accordance with the operating schedule and between the points fixed in the schedule, as modified from time to time pursuant to this contract. The supplier, when so directed by the contracting officer, shall (i) load and unload mail, (ii) make the exchange of mail, and (iii) perform all minor administrative services as may be necessary to track and trace the mail.

#### b. Extra Trips

Supplier will be required to perform additional trips of service as outlined below:

The supplier must proceed to perform any extra trips ordered by the contracting officer or authorized representative. The supplier must provide such service departing from the office having the requirement for service within (4) hours after notification by the contracting officer or authorized representative. Extra round trips of service shall be performed within the total elapsed time (total hours) reflected in the regular trip schedule.

#### c. Protection of the Mail

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The supplier shall protect the mail from loss, depredation, or damage. The mail shall be transported in an enclosed, water-proof compartment, equipped with secure locking devices, which shall be kept locked at all times except when access thereto is required for performance of service under this contract. The supplier shall await completion of all delayed mail connections except when otherwise directed by the contracting officer or authorized representative, or the supplier's vehicle is carrying passengers on a fixed schedule. If the supplier is authorized to carry passengers, the mail must be carried in a compartment separate from the passengers so that they cannot have access to the mail. The supplier shall not transport hitchhikers in vehicles while the vehicles are being used in the performance of service on this contract.

d. Appearance of Equipment

The supplier shall at all times maintain its transportation equipment used under this contract so as to present a creditable appearance and comply with applicable Postal Service regulations. The supplier may use a sign on its vehicle(s) that states "United States Mail," but only when vehicle(s) are being used in the performance of service under this contract. Vehicle(s) (including both tractors and trailers) which are painted red, white and blue must have inscribed on their doors in black letters at least one inch high the following words: "United States Mail Contractor." Trailers so painted must also bear the same inscription on the front of the trailer in black letters two inches high and placed sufficiently high to be visible above the tractor unit.

e. Alcohol and/or Drugs

The supplier and his/her employees must not perform contract operations while under the influence of alcohol, narcotics, or any other substance that tends to impair judgement; nor will they consume any of the foregoing while engaged in contract operations.

f. Weapons and Explosives

No person while on Postal property, or while performing services under a Postal contract, shall carry firearms, other dangerous or deadly weapons, or explosives, either openly or concealed.

g. Carriage of Letters

The supplier shall not carry letters outside of the mails.

h. Denial of Access to the Mails

The supplier shall deny access to the mail to any employees or personnel when required to do so by the contracting officer.

i. Suitability of Contract Personnel

In conducting operations under this contract, the supplier shall not

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employ any individual who is: lacking sufficient ability to perform properly the required duties; not a reliable and trustworthy person of good moral character; barred by law or Postal Service regulations from performing such duties.

Suppliers and their employees are required to maintain a neat, clean and professional appearance reflecting a positive image while engaged in contract operations.

Driver uniforms are not required under this contract. Suppliers who require their drivers to wear uniforms may include the cost only in the general overhead line.

The Postal Service has a Zero Tolerance Policy regarding workplace violence. Suppliers and their employees must conduct themselves in a professional and business-like manner, since poor conduct has a direct reflection on the Postal Service. Zero Tolerance means that we will not ignore any incident of verbal or physical action on the part of any supplier (or the supplier's employee) who could cause injury to another.

j. Water Vessels

In the event that this is a contract for carriage of mail by a domestic water vessel, the supplier shall serve terminal post offices without regard to distance from the nearest landing, unless the Postal Service has previously assumed such a terminal service, and shall serve all intermediate post offices along the route located not more than one-fourth of a mile from the vessel landing. The supplier, when so directed by the contracting officer, shall (i) load and unload mail, (ii) make the exchange of mail, and (iii) perform all minor administrative services as may be necessary to track and trace the mail. Passengers, freight and other traffic, if authorized by this contract, may be accommodated, but shall not delay the mail or reduce the contracted cubic capacity.

B.4 LIABILITY FOR EQUIPMENT DAMAGE AND REPAIRS

a. Either party's liability for loss of or damage to the equipment of the other party shall be governed by this subparagraph a as follows:

(1) The Postal Service shall be liable to the supplier for loss of or damage, exclusive of fair wear and tear, to equipment of the supplier only when such loss or damage is caused by a negligent act or omission of the Postal Service, or of its employees, agents, suppliers, or subcontractors.

(2) The supplier shall be liable to the Postal Service without regard to fault or negligence, for the loss of or damage, exclusive of fair wear and tear, to equipment furnished by the Postal Service while the equipment is in the custody and control of the supplier. For the purposes of this subparagraph a, equipment furnished by the Postal Service includes equipment owned or leased by the Postal Service, and equipment of other Postal Service mail transportation suppliers or of their subcontractors.

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- (3) The Postal Service may deduct from any compensation otherwise due the supplier a sum or sums equal to the amount(s) for which the supplier is liable to the Postal Service under subparagraph a.(2).
- b. Either party's liability for ordinary repairs to or maintenance of the equipment of the other party shall be governed by this subparagraph b as follows:
- (1) The supplier, and not the Postal Service, shall be liable for the cost of all repairs to or maintenance of equipment furnished by the supplier under this contract (including any equipment leased by the supplier from the Postal Service).
  - (2) In the event that any equipment used by the supplier breaks down en route between postal facilities, the supplier shall obtain repairs needed to put the equipment back in service. This obligation extends to all equipment used by the supplier under this contract.
  - (3) If, pursuant to subparagraph b.(2) above, the supplier repairs equipment owned or leased by the Postal Service, or equipment of other Postal Service mail transportation suppliers or their subcontractors, the Postal Service shall, upon submission of a properly documented claim to the contracting officer, reimburse the supplier for the cost of such repairs. Such reimbursement shall include additional costs, if any, associated with delays in securing repairs, when such delays are beyond the control and without the fault or negligence of the supplier.

#### B.5 SCREENING/IDENTIFICATION REQUIREMENTS

At contract award, and thereafter, the supplier must identify to the administrative official all individuals who require access to facilities, the mails, or need authority to drive. Before contract employees are allowed to perform under the contract, the supplier must submit to the administrative official two original Forms 2025, Contract Personnel Questionnaire, one original Form 2181-C, Authorization and Release, Background Investigation, two original Forms FD 258, Fingerprint Card, and two full face, 1 1/4" x 1 1/4", color photographs. If the contract employee has driving responsibilities, a current driving record must also be submitted to the administrative official. A 5-year driving record must be provided except in those states in which only 3-year driving records are issued. The driving record must be dated no more than 30 days prior to the date submitted to the administrative official. If fingerprints are determined to be unclassifiable, the contract employee must submit two additional fingerprint cards within 30 days of notification. The results of the Postal Service investigation will determine if the contract employee is granted a non-sensitive clearance. Non-sensitive clearances can be denied or revoked. Clearance will not be granted if the Postal Service is unable to obtain results from a criminal history inquiry through local agencies where the individual has resided and has been employed during the 5-year period prior to submission of the application forms. Suppliers and contract employees must report arrests or convictions occurring during the contract term to the administrative official.

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Pending clearance, a temporary photo identification badge, PS Form 5139, Non Postal Service Temporary Employee, will be issued to the contract employee. Upon final clearance, a photo identification badge, PS Form 5140, Non Postal Service Contractor Employee, will be issued. The contract employee must display the identification badge on their outer garment when on postal property. The supplier is responsible for the recovery and return of identification badges to the Postal Service when an employee is separated.

Postal regulations require that suppliers and their employees who drive be rescreened once every four years, or by direction of the administrative official. All forms specified above, with the exception of Form FD 258, must be submitted to the administrative official. Form FD 258 may be required if so advised by the administrative official.

Form 2081, Contractor Employee Assignment Notification, may be used in lieu of the above screening requirements for emergency service not exceeding 15 days. The supplier must complete and submit Form 2081 and a full-face, 1 1/4" x 1 1/4" color photograph for each contract employee to the administrative official. The administrative official will issue Form 5139. If the emergency exceeds 15 days, the screening procedures defined above must be performed for all emergency contract employees. The supplier is responsible for the recovery and return of Form 5139 to the Postal Service at the end of the emergency service.

Security clearances are specific to an individual, not a contract. If a driver, who is separated, goes to work for another supplier within one year of the date of separation, the current supplier must provide two original Forms 2025, the current motor vehicle record and two full-face color photos to the administrative official. Postal Management Instruction, Screening Highway Transportation Contract Employees, provides detailed instructions on screening contract employees.

#### B.6 SAFETY REQUIREMENTS

The supplier shall conduct its operations under this contract in full compliance with all local, state, and federal regulations.

##### a. Inspection of Equipment

Drivers shall satisfy themselves that equipment is ready for use and the following parts and accessories are in good working order:

- (i) Servicing and parking brakes
- (ii) Steering mechanism
- (iii) Lighting devices and reflectors
- (iv) Tires
- (v) Horn
- (vi) Windshield wipers
- (vii) Rear vision mirrors

The vehicle must be equipped to address emergencies (e.g. weather conditions, fire, accident, etc.) based on locality where the service is being provided.

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## b. Safe Loading and Security of Equipment

Drivers responsible for loading or assisting in the loading of their vehicles must ensure that loads are properly distributed and secured and that doors, tailgates, and other equipment are fastened properly to permit safe operations.

## c. Hazardous Conditions

Extreme caution, even to the extent of stopping operation if necessary, shall be exercised by drivers when hazardous road or weather conditions prevail.

## B.7 INSURANCE REQUIREMENTS

If this contract requires the operation of a motor vehicle, the supplier shall establish and maintain continuously in effect a policy or policies of liability insurance for all motor vehicles to be used under this contract providing, at a minimum, the following coverage:

## a. Vehicles with a gross vehicle weight rating of under 10,000 pounds:

- (1) Limit for bodily injuries to or death of one person: \$100,000 and
- (2) Limit for bodily injuries to or death of all persons in any one accident: \$500,000 and
- (3) Limit for loss or damage in any one accident to property of others (other than mail): \$100,000.

In the alternative to (1), (2) and (3) above, a combined single limit (CSL) for bodily injury to, or death of persons and loss or damage of property per single accident: \$600,000.

## b. Vehicles with a gross vehicle weight rating of 10,000 pounds or more, require a minimum of \$750,000 Combined Single Limit (CSL).

Coverage must meet all minimum insurance requirements imposed by federal, state and local law or regulation when such requirements exceed the minimum coverage required by the Postal Service as stated above.

The supplier shall furnish to the contracting officer, prior to commencement of service under this contract, and thereafter as the contracting officer may require, proof that the supplier has all required insurance, plus a copy of the applicable policy or policies.

## B.8 ADDITIONAL INFORMATION

- a. The contract rate must include all elements of cost the supplier expects to incur in performing the service. The supplier must include the total anticipated costs (based on the total regular hours) for vacation time or other fringe benefits in the contract rate. Adjustments to include these costs in the second or subsequent years of the contract will not be allowed.

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Included in the cost comprising the total contract rate are those associated with the payment for vacation time and other fringe benefits as outlined in the attached Department of Labor Wage Determination(s) listed below:

Route Part A: 1977-0196(Rev.-53) (1D) and dated 06/15/2010

- b. The supplier, depending on actual route operations, may be required to pay round trip compensation to drivers even though the contract requires one-way trips. In this, and all other cases, it is the SUPPLIER'S RESPONSIBILITY to verify DOL requirements.
- c. The following requirements apply to vehicle(s) used on this contract whose Gross Vehicle Weight Rating (GVWR) is 10,001 pounds or greater:

In order for the contract to be renewed, a supplier may not be rated unsatisfactory on the Department of Transportation (DOT) Unsatisfactory Safety Rating Report.

The supplier must provide a DOT number. If the supplier does not have a DOT number, a copy of the application form (FORM MCS 150, Motor Carrier Identification Report) submitted to the DOT must be provided to the contracting officer. Immediately upon receipt, but not more than six months from the date of the application, the DOT number must be provided to the contracting officer.

Failure to provide the DOT number within six months of application may result in termination of the contract for default.

If a supplier receives a DOT unsatisfactory rating during the term of the contract, the unsatisfactory rating must be resolved within six months of that rating. Failure to resolve the unsatisfactory rating may result in the termination of the contract for default.

During the term of the contract the Postal Service, its designated representative, or the DOT may randomly inspect vehicles used in the performance of service on this contract.

If the equipment fails to meet DOT safety requirements, the equipment must be placed "Out of Service" at the expense of the supplier and suitable replacement equipment must be provided.

Failure by the supplier to meet DOT safety standards on equipment may result in the termination of this contract for default.

During the term of the contract, the Postal Service may require the supplier to attend up to three safety seminars sponsored by the Postal Service and/or the DOT, at no additional charge to the Postal Service.

The supplier will be required to participate in the USPS fuel management program and will be reimbursed for fuel costs at the established program rates in effect at the time. This contract is not subject to economic adjustments of any type. Contracts in excess of two years are entitled to SCR adjustments. Negotiated service changes are applicable to this contract. This contract may be

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terminated by either party upon 60 days written notice. When the USPS or the supplier exercises its termination rights, the supplier nor the Postal Service is entitled to or liable for indemnity or damages for any termination under this contract and Liquidated Damages (Section "e" under Clause B-67) is not applicable to this contract.

## Section C. Delivery or Performance

## PHYSICAL LOCATION OF POINTS SERVED

KRAKOW  
US POSTAL SERVICE  
MAIN ST  
KRAKOW WI 54137-9998  
920-899-3691

TOWNSEND  
US POSTAL SERVICE  
17912 FRONT ST  
TOWNSEND WI 54175-9998  
715-276-6857

GREEN BAY P&DC  
US POSTAL SERVICE  
300 PACKERLAND DR  
GREEN BAY WI 54303-9996  
920-498-3961

LAKESIDE  
US POSTAL SERVICE  
15283 HWY 32  
LAKESIDE WI 54138-9998  
715-276-7667

MOUNTAIN  
US POSTAL SERVICE  
13953 HWY 36 & 64  
MOUNTAIN WI 54149-9998  
715-276-7301

SURING  
US POSTAL SERVICE  
W MAIN ST  
SURING WI 54174-9998  
920-842-2556

PULASKI  
US POSTAL SERVICE  
306 S AUGUSTINE ST

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PULASKI WI 54162-9998  
920-822-5666

GILLETT  
US POSTAL SERVICE  
205 E MAIN ST  
GILLETT WI 54124-9998  
920-855-2812

**RESPONSES OF POSTAL SERVICE WITNESS MARTIN TO  
INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**PR/USPS-T6-1.** Please refer to page 6 of your testimony, which states "Changes will promote efficiency in the transportation network." Please confirm that the term "efficiency" as used here refers to a reduction in excess capacity in the mail processing and transportation networks. If not confirmed, please explain.

**RESPONSE:**

Confirmed.

**RESPONSES OF POSTAL SERVICE WITNESS MARTIN TO  
INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**PR/USPS-T6-2.** Please refer to page 6 of your testimony which states, "A reduction in the number of processing facilities in the postal network will significantly reduce the number of individual links in the transportation network." On page 6 you also provide a hypothetical example in Figure 1.

- a. Please confirm that the proposed network rationalization always assumes a reduction of individual links in transportation network. If not confirmed, please explain and provide an example.
- b. Does the proposed network rationalization consider the possible need for new links between processing facilities? If not, please explain.
- c. In the hypothetical example (Figure 1) all processing facilities are linked to each other. If one assumes a scenario in which not all facilities are linked to each other, could it alter your conclusion concerning the significant reduction in "the number of individual links in the transportation network?" Please explain in detail.

**RESPONSE:**

- (a) Confirmed.
- (b) Yes.
- (c) No. I acknowledge that if there are fewer links between the five plants in Figure 1 (USPS-T-6 at 7) in the hypothetical current network, there is less potential for a reduction in the number of links between those plants as a result of network rationalization. However, Figures 1 and 2 (USPS-T-6 at 7 and 8) are provided for illustrative purposes only. I expect a significant reduction in transportation links in the network because we have the potential to deactivate approximately 50 percent of processing facilities in the current network. As a result, I anticipate a significant reduction in plant-to-plant links in the transportation network.

**RESPONSES OF POSTAL SERVICE WITNESS MARTIN TO  
INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**PR/USPS-T6-3.** Please refer to page 8 of your testimony which states: "This tension illustrates that the opportunity to optimize transportation in the new network will involve both reductions in trips and some increase in volume, hence capacity utilization, on remaining trips[.]"

- a. Please define optimization as it is used in this context.
- b. Please identify any calculations that estimate the "increase in volume," and provide those calculations.

**RESPONSE:**

- (a) The sentence quoted from page 8 of my testimony contains the phrase "optimize transportation." This phrase refers to the rationalization of the transportation network in a manner that will increase efficiency in the network. Please see my response to PR/USPS-T6-1.
- (b) No such calculations were filed with my testimony. The trip-specific, capacity-utilization data contained in the "Plant to Plant Trips" spreadsheet in library reference USPS-LR-N2012-1/11 shows that there is excess capacity throughout the plant-to-plant transportation network. I use these data to determine which routes can absorb the volumes from routes that are eliminated.

**RESPONSES OF POSTAL SERVICE WITNESS MARTIN TO  
INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**PR/USPS-T6-4.** Please refer to page 9 of your testimony which states, "Additionally, the proposed service standards and the corresponding expansion of current mail processing windows will provide the Postal Service with more time to accumulate mail at an origin processing plant for eventual transport to a destination processing plant. As a result, the Postal Service will be able to increase the capacity utilization of trucks that operate between plants. Such increases will have a suppressive effect on the number of trips between the remaining plants because the Postal Service will be able to schedule fewer trips between the remaining plants *than would otherwise be required* under a more restrictive window to ensure that mail reaches the destination plant by the applicable critical entry time."

- a. Please provide calculations showing the current capacity utilization of trucks, and provide an estimate of an acceptable level of capacity utilization.
- b. Please confirm that there is a limit to the ability to increase "the capacity utilization of trucks that operate between plants"? If confirmed, please provide an estimate of how that limit could be calculated.
- c. Does the rationalization plan consider possible increases in trip length? If so, please provide the data and calculations. If not confirmed, please explain.

**RESPONSE:**

- (A) Truck capacity utilization is calculated from data that are uploaded to our transportation databases (Surface Visibility or Transportation Information Management Evaluation System ("TIMES")). When mail is presented to the outbound dock for loading onto vehicles, each mail handling unit (e.g., a pallet or wheeled cart) has a barcode that an employee scans. When that barcode is scanned, volume data for that mail handling unit are uploaded to the transportation database. A software program then calculates the capacity utilization percentage for each trip based on the scanned data. This program uses an algorithm that compares the volume data from the scanned mail handling unit to the volume for the truck/trip and derives the percent utilization of the truck/trip. The capacity utilization percentages for the trips included in my analysis are set forth in the spreadsheet "Plant to Plant Trips" in USPS-LR-

**RESPONSES OF POSTAL SERVICE WITNESS MARTIN TO  
INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**RESPONSE TO PR/USPS-T6-4 (CONT.):**

N2012-1/11, under Column L ("Utilization"). These percentages reflect an average utilization over a 14 day period in early October 2011. The Postal Service has established a capacity utilization target of 70 percent.

- (b) Confirmed. Capacity utilization is limited based on the availability of volume on the transportation vehicle. Please see my response to part (a) above. When a truck has reached 100 percent capacity, the capacity of the truck is fully utilized. When the transportation database shows that the mail volume exceeds the capacity of a transportation vehicle, my office works with local officials to determine the appropriate response to ensure that the excess volume can be transported to its destination. This could require the addition of a trip to the route.
- (c) Confirmed. Data and calculations on increases in trip length have not been finalized and I did not rely on such data in preparing my testimony for this docket.

**RESPONSES OF POSTAL SERVICE WITNESS MARTIN TO  
INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**PR/USPS-T6-5.** Please refer to pages 10 and 11 of your testimony, specifically Figures 3 and 4. On page 10 you also state: "By reducing the number of plant-to-Post Office links within a defined geographic area and collapsing two service areas into one, the Postal Service will be able to reduce the number of operating miles within that area. Additionally, an expanded mail processing window, combined with a reduction in the number of plants, would enable the Postal Service to decrease the number of surface transportation trips required to service a particular area."

- a. Are "the number of operating miles" identified in Figure 4 necessarily, in all circumstances, less than in Figure 3? Please confirm.
- b. Would the Postal Service, in all cases, be able to decrease the number of surface transportation trips?

**RESPONSE:**

- (a) No. As information, operating miles are determined by multiplying the number of trips by the miles traveled (trips x miles = operating miles). There are no operating miles identified in Figures 3 and 4. Based on the "Plant to Post Office" spreadsheet in USPS-LR-N2012-1/11, I anticipate a reduction in operating miles due to the deactivation of certain processing operations combined with an expanded mail processing window that will enable the Postal Service to reduce the amount of trips within a particular service area.
- (b) No. Please see my response to part (a) above.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**PR/USPS-T6-6.** Please refer to page 13 of your testimony which states, "Although such savings would be mitigated by any increase in transportation cost due to the fact that remaining plants must be connected to more Post Offices in the realigned network, I expect the Postal Service to realize plant-to-Post Office surface transportation cost savings when it rationalizes the processing network."

- a. Please confirm that an increase in the number of connections between the remaining plants in the network increase the number of operating miles? If not confirmed, please explain.
- b. Please provide, if available, details of any estimates of the potential increase in transportation costs? If not available, please explain why such estimates have not been made.
- c. Please explain the basis for the expectations of surface transportation cost savings.

**RESPONSE:**

- (a) Not confirmed. As information, page 13 of my testimony concerns Plant-to-Post Office network optimization, not Plant-to-Plant network optimization. However, for the reason set forth in my response to part (a) of PR/USPS-T6-5, I anticipate a reduction in number of operating miles between plants as a result of network rationalization.
- (b) Estimates of "any increase in transportation costs" as discussed in my testimony on page 13 (quoted above) are not available. Rather such increases are accounted for in the transportation portion of each AMP study. Each study provides a summary of the transportation costs in the current environment and the proposed transportation costs if the AMP proposal is implemented. The transportation portions of each of the fourteen (14) AMP studies I reviewed are provided in library references USPS-LR-N2012-1/27 and USPS-LR-N2012-1/NP8.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**RESPONSE TO PR/USPS-T6-6 (CONT.):**

- (c) The expected surface-transportation costs savings are based on the analyses set forth in USPS-LR-N2012-1/11 and supplemented by the data contained in USPS-LR-N2012-1/25 and USPS-LR-N2012-NP7.

**RESPONSES OF POSTAL SERVICE WITNESS MARTIN TO  
INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**PR/USPS-T6-7.** Please refer to page 14 of your testimony, which states "The consolidation of mail processing facilities and the corresponding realignment of the transportation network will result in the diversion of First-Class Mail volumes with a three-day service standard from surface transportation to air transportation." On page 2 the testimony reads: "First-Class Mail, Priority Mail, and Express Mail intended for carriage and delivery within the continental United States and between the contiguous United States and non-contiguous parts of the domestic service area are transported via air when necessary to achieve the applicable service standards."

- a. Please provide the percentage of First-Class Mail that is currently transported using surface modes.
- b. Please, provide the percentage of First-Class Mail that will be transported using surface modes if the Postal Service implements its plan.

**RESPONSE:**

- (a) The percentage of First-Class Mail that is currently transported using surface modes is approximately 85 percent.
- (b) The percentage of First-Class Mail that is expected to be transported using surface modes in the rationalized network is approximately 82 percent.

The source for these data is library references USPS-LR-N2012-1/25 and USPS-LR-N2012-NP7.

**RESPONSES OF POSTAL SERVICE WITNESS MARTIN TO  
INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**PR/USPS-T6-8.** Please refer to page 15 of your testimony, which states that the increase in the volume of First-Class Mail requiring air transportation was estimated "by assessing the volume of First-Class Mail on current surface transportation lanes that would require air transportation to meet the 8:00 a.m. critical entry time on the day prior to delivery." Please provide and explain the data and calculations used to derive the estimated volume.

**RESPONSE:**

The responsive data are contained in the following files in library references USPS-LR-N2012-1/25 and USPS-LR-N2012-NP7.

"Current FCM Modes"

"Proposed L201 to SCF Drive Time"

"Proposed FCM Modes"

To determine the mode of transportation for First-Class Mail (FCM) between the facility that processes the origin 3-digit ZIP Code FCM letters and Sectional Center Facility (SCF) that processes the destination 3-digit ZIP Code FCM letters ("OD pair"), the distances (d) between the OD pairs are divided by a fixed speed of travel (46.5 miles per hour) to determine travel time. PC Miler batchpro version 20.1 was used for road mileage. PC Miler batchpro is a software that allows for the generation of road mileage estimates between any two points. The travel time is then adjusted to account for time zone changes between the origin and destination facilities. For example, if mail is traveling from a facility in the Eastern Standard Time zone to one in the Central Standard Time zone, the travel time would decrease by 1 hour. The proposed adjusted travel times between the OD pairs is provided in the spreadsheet "Proposed L201 to SCF Drive Time." If the adjusted travel time between facilities is less than 24 hours, the

**RESPONSES OF POSTAL SERVICE WITNESS MARTIN TO  
INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**RESPONSE TO PR/USPS-T6-8 (CONT.):**

proposed mode for the FCM for the OD pair is surface. If the adjusted travel time between facilities is more than 24 hours, the proposed mode for the FCM for the OD pair is air. The results of this operation are provided in the spreadsheet "Proposed FCM Modes."

I have identified potential changes in the mode of transportation for particular OD pairs, and the affected volumes, by comparing the data in the "Current FCM Modes" spreadsheet with data in the "Proposed FCM Modes" spreadsheet as follows:

1. For each 3-digit to 3-digit ZIP Code pair, if the current mode is air and the proposed mode is surface, then FCM volume for that OD pair will be diverted from air to surface. The FCM volumes for these OD pairs are aggregated to determine the total volume of FCM that will be diverted from air to surface.
2. For each 3-digit to 3-digit ZIP Code pair, if the current mode is surface and the proposed mode is air, then FCM volume for that OD pair will be diverted from surface to air. The FCM volumes for these OD pairs are aggregated to determine the total volume of FCM that will be diverted from surface to air.
3. The total volume of FCM that will be diverted from air to surface is subtracted from the total volume of FCM that will be diverted from surface to air.

To convert the volume into annual weight, the change in air volume was converted from average daily volume (ADV) into annual volume by multiplying the volume by 302 processing days. The annual volume was converted to weight using a factor of .047LB/piece.

**RESPONSES OF POSTAL SERVICE WITNESS MARTIN TO  
INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**RESPONSE TO PR/USPS-T6-8 (CONT.):**

The results of these calculations are provided in USPS-LR-N2012-1/11 in the spreadsheet titled "Air Transportation Volume Diversion Data."

**RESPONSES OF POSTAL SERVICE WITNESS MARTIN TO  
INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**PR/USPS-T6-10.** Please refer to USPS-LR-11, Transportation, File: Preface.doc, where you state that mail volumes associated with origin/destination (o/d) plant pairs where distance between them would take more than 24 surface transportation time, diverted their First Class volume to air transportation. You also state that one may identify additional routes where mail is diverted from highway to air transportation by comparing the current First-Class Mail transportation mode matrix with “the hypothetical transportation mode matrix contained in USPS-LR-N2012-1/8, sponsored by witness Williams (USPS-T-1).”

- a. Please confirm that none of the files in USPS-LR-N2012-1/8 contain the current or proposed o/d pairs by travel time and FY2010 First Class RPW volume.
- b. If confirmed, please provide source data in machine-readable format showing each o/d pair in the current network and the proposed network, with the estimated highway time and Fy2010 First Class RPW volumes for each o/d pair.
- c. If not confirmed, please explain how the files in USPS-LR-N2012-1/8 can be used to derive the information requested in “b”.

**RESPONSE:**

- (a) Confirmed.
- (b) The responsive data are contained in library references USPS-LR-N2012-1/25 and USPS-LR-N2012-NP7.
- (c) N/A

**RESPONSES OF POSTAL SERVICE WITNESS MARTIN TO  
INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**PR/USPS-T6-11.** Please refer to page 12 of your testimony which states, "I analyzed a subset of routes in the network to identify operating miles that could be eliminated in the rationalized mail processing environment.... In so doing, I analyzed whether certain trips with low utilization on existing routes could be eliminated, thereby reducing operating miles, without compromising the Postal Service's ability to move existing mail volumes. Based on this analysis, I estimate that the number of operating miles in the current network could be reduced by approximately 13.68 percent in the rationalized network.

- a. Please refer to USPS-LR-N2012-1/11, Transportation Spreadsheets LR.xls, Worksheet: "Plant to Post Office." Please reconcile the average percentage reduction shown as 14.45 percent and the 13.68 percent you refer to in your testimony. Please explain whether the percentage reduction shown in the spreadsheet was limited to the routes in the example, and 13.68 percent is the reduction that would occur if you applied the method used in the spreadsheet to the entire universe of routes.
- b. Please provide the utilization rate, below which, a route could be eliminated.

**RESPONSE:**

- (a) The source for the 14.45 percent figure that appears in part (a) of this interrogatory is unclear. The 13.68 percent reduction shown in the Plant to Post Office worksheet (USPS-LR-N2012-1/11) is the same as the percentage figure provided on page 12 of my testimony. The percentage reduction shown in the spreadsheet is based on an assessment of the operating miles that could be eliminated through the consolidation of processing operations at plants that are being studied under the AMP process. It is unknown whether the percent reduction in operating miles, estimated at 13.68 percent, is the same as the estimated percent reduction that would be derived if the method used in the spreadsheet is applied to data from all processing operations for which an AMP study is being performed in connection with network optimization. It is highly likely that such percentage figure would not be exactly 13.68 percent.

**RESPONSES OF POSTAL SERVICE WITNESS MARTIN TO  
INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**RESPONSE TO PR/USPS-T6-11 (CONT.):**

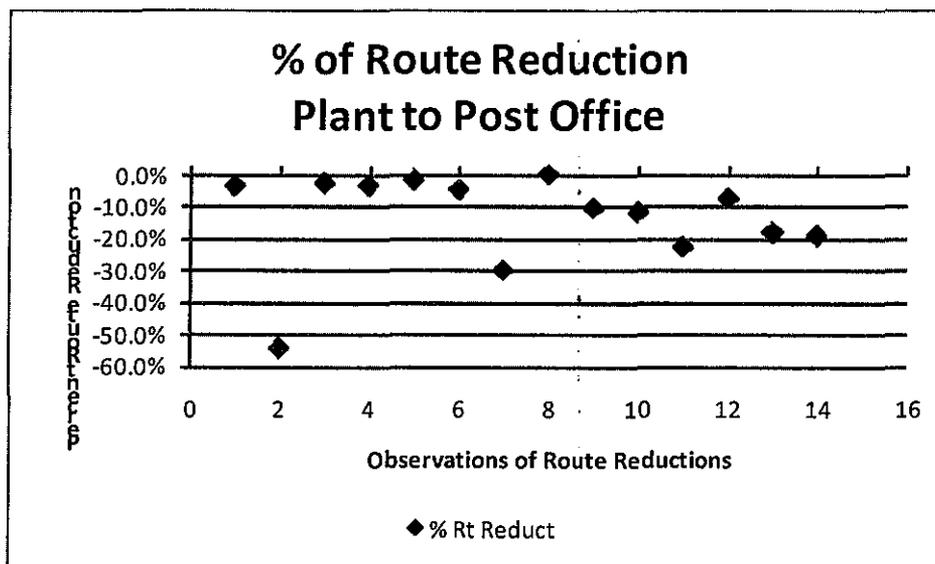
(b) A route is comprised of a single trip or series of trips. The utilization rate of less than 50 percent on a particular trip/truck is flagged to determine if a trip, a series of trips, or an entire route, can be eliminated.

.....

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**PR/USPS-T6-12.** Please refer to page 12 of your testimony where there is an evaluation of Plant-to-Post-Office Routes, and it reads, "I analyzed a subset of routes (in 5 out of 7 areas) in the network to identify operating miles that could be eliminated in the rationalized mail processing environment.[]" (This work is presented in Library Reference USPS-LR-N2012-1/11.)

- What percentage of all routes in each area was included in your study?
- The chart below depicts the percent of miles reduced from network realignment in each of the 16 areas you studied. There appear to be at least two outliers. Please explain why they were retained.
- Why were the Pacific and Cap Metro areas not included?
- What method, if any, was used to determine which routes were sampled?
- Do you consider your sampling procedure adequate to produce a reliable estimate of Plant-to-Post-Office reduction? If so, please explain.



**RESPONSE:**

As information, the text, "(in 5 out of 7 areas)" does not appear in my testimony on page 12.

- The responsive information is provided in the chart below:

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**RESPONSE TO PR/USPS-T6-12 (CONT.):**

Area	Study Site	Gaining Site	AMP Proposals Completed Total Routes Evaluated	Plant to Post Office Total Area Routes	Percentage of Total Routes Reviewed
Western	Grand Island NE PDF	Omaha NE PDC	31		
Western	Eau Claire WI PDF	Saint Paul MN PDC	22		
Western	LaCrosse WI PDF	Saint Paul MN PDC	11		
Western	Rochester MN PDF	Saint Paul MN PDC	13		
Western	Duluth MN PDF	Saint Paul MN PDC	16		
Western	Norfolk NE PDF	Omaha NE PDC	24		
<b>Total</b>			<b>117</b>	<b>1,260</b>	<b>9.3%</b>
Southwest	Lafayette LA PDF	Baton Rouge LA PDC	23		
Southwest	South FL PDC	Miami FL PDC	18		
<b>Total</b>			<b>41</b>	<b>1,068</b>	<b>3.8%</b>
Eastern	Lancaster PA PDC	Harrisburg PA PDC	8		
Eastern	Owensboro CSMPC KY	Evansville PDF IN	2		
Eastern	Campton KY CSMPC	Louisville KY PDC	1		
<b>Total</b>			<b>11</b>	<b>1,154</b>	<b>1.0%</b>
Great Lakes	Bloomington IN MPA	Indianapolis IN PDC	39		
Great Lakes	Kalamazoo MI PDC	Grand Rapids MI PDC	40		
Great Lakes	Quincy IL PDF	Columbia MO PDF	51		
<b>Total</b>			<b>130</b>	<b>604</b>	<b>21.5%</b>

- (b) As information, data from four (4) areas were included in my study, not 16. Only 14 AMP studies had been reviewed by my office at the time I finalized my testimony. I deemed it prudent to include all data points in my study. When all of the AMP studies relevant to this docket have been completed, I will update the record to reflect the additional data. Please see my response to part (e) below.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO INTERROGATORIES OF THE PUBLIC REPRESENTATIVE**

**RESPONSE TO PR/USPS-T6-12 (CONT.):**

- (c) Please see my response to part (b) above and part (e) below. No studies from the Pacific, Cap Metro, and Northeast areas had been fully vetted by my office at the time I finalized my testimony.
- (d) Please see my response to part (b) above.
- (e) As part of the AMP process, my office reviews the analysis conducted by the field in order to analyze transportation requirements and evaluate the proposed increases or decreases in transportation costs. This review process allows my office to develop more accurate transportation requirements and proposed costs which are often lower than the proposed costs developed by the field. Accordingly, I believe that AMP studies that have been subject to review by my office provide a more reliable basis for estimating reductions in Plant-to-Post-Office operating miles than AMP studies that have not been subject to such review.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO INTERROGATORY OF THE PUBLIC REPRESENTATIVE**

**PR/USPS-T6-13.** In your response to PR/USPS-T6-3 (b) you state: "The trip-specific, capacity-utilization data contained in the "Plant to Plant Trips" spreadsheet in library reference USPS-LR-N2012-1/11 shows that there is excess capacity throughout the plant-to-plant transportation network". In response to PR/USPS-T6-4 (a) you state: "Truck capacity utilization is calculated from data that are uploaded to our transportation databases (Surface Visibility or Transportation Information Management Evaluation System ("TIMES"))).

- a. Please confirm that 'utilization' provided in USPS-LR-N2012-1/11 is the same as 'truck capacity utilization' you mention in your response to PR/USPS-T6-4 (a). If not confirmed, please explain the difference.
- b. Please confirm that you understand excess capacity as insufficient capacity utilization. If not confirmed please explain.

**RESPONSE:**

- (a) Confirmed.
- (b) Not confirmed. Capacity utilization on a trip is not evaluated in terms of its sufficiency or insufficiency. The term "excess capacity," as used in my response to PR/USPS-T6-3(b), means that many trips have unused capacity; we increase efficiency and capacity utilization by reducing unused (or excess) capacity.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS  
MARTIN TO PRESIDING OFFICER'S INFORMATION REQUEST No. 1**

9. On Page 9 of her testimony, witness Martin (USPS-T-6) estimates a 24.71 percent reduction in capacity of plant-to-plant transportation that will result from the network restructuring.
- a. Please confirm that the 24.71 percent reduction in capacity represents a simple average of the seven regions.
  - b. A weighted average percent reduction in capacity, which takes into account regional differences in transported volume, and differences in trip distance and frequency within a region, might provide a more accurate measure of average percent reduction in capacity. Please explain the rationale for using a simple average rather than a weighted average.

**RESPONSE:**

- (a) Confirmed. The 24.39 percent reduction in capacity represents a simple average of the seven areas.
- (b) In preparing my testimony for this docket, I calculated the weighted average percent reduction in capacity and compared the result to the simple average. I included the simple average in my testimony because, when compared to the weighted average, the simple average was more conservative. A weighted average would have yielded an estimated capacity reduction of 29.79 percent, as shown in the chart below.

Plant to Plant Transportation Reduction			
Area	Trip Reduction	% Impact	Wgtd. Avg.
Northeast	86	35%	29.94
Eastern	143	33%	47.12
Cap Metro	89	31%	27.31
Great Lakes	69	26%	18.17
Southwest	44	26%	11.52
Western	34	16%	5.50
Pacific	4	4%	0.34
		24.39%	139.72
			29.79%

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS  
MARTIN TO PRESIDING OFFICER'S INFORMATION REQUEST No. 1**

10. Please refer to library reference LR-N2012-1/11 workbook "Plant to Plant Trips" of Excel file "Transportation Spreadsheets LR.xls." Please provide a list of plant-to-plant HCR trips and all information for each trip in the table format appearing below. Please provide additional information for each trip including annual cubic-foot of capacity, annual cubic-foot of mail transported, annual cost, and indicate whether or not the trip is a candidate for elimination.

**Plant to Plant HCR Trips**

Area	HCR ID	Trip No.	Trip Frequency (Annual)	Origin	Stop 1	Stop 2	Stop 3	Destination	Trip Miles	Trip Purpose	Utilization	Annual Capacity In Cubic-Foot	Annual Cubic-Foot of Mail Transported	Annual Cost	Candidate for Elimination (Yes or No)
Northeast	030EJ	601	307.07	Nashua LDC NH	Springfield MA LDC			Pittsburgh LDC PA	626	Priority Mail	78%				
Northeast	030EJ	602	307.07	Pittsburgh LDC PA	Springfield MA LDC			Nashua LDC NH	626	Priority Mail	81%				
Northeast	030M1	1	255.75	Nashua LDC NH	NNJ LDC			Philadelphia NDC PA	322	Priority Mail	79%				
Northeast	030M1	2	255.75	Phila NDC	NNJ LDC	Boston MA PDC		Nashua LDC NH	348	Priority Mail	73%				
Northeast	030NJ	1	251.46	Nashua LDC NH				Detroit NDC MI	739	Priority Mail	74%				

**RESPONSE:**

As information, the Postal Service does not have the ability to collect data on "annual cubic-foot of capacity" and "annual cubic-foot of mail transported." This is because the data for mail transported on surface transportation are not collected in the same manner as air transportation capacity. The Postal Service collects data on truck capacity utilized, which are derived from the input of total units dispatched (e.g., pallets or wheeled carts). Please see my response to PR/USPS-T6-4.

The responsive data are provided in the "Plant to Plant Trips" spreadsheet attached to this response. Annual cost in this spreadsheet is calculated by the

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS  
MARTIN TO PRESIDING OFFICER'S INFORMATION REQUEST No. 1**

**RESPONSE TO QUESTION 10 (CONT.):**

number of trip miles, annual trip frequency, and the rate per mile. According to this spreadsheet, the estimated transportation savings is \$109 million. This figure is less than the transportation savings figure that appears in Witness Bradley's (USPS-T-10) testimony (\$192 million) because the spreadsheet only reflects a subset of the total number of routes that are being analyzed for the purposes of network rationalization.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO PRESIDING OFFICER'S INFORMATION REQUEST No. 1**

11. On Page 12 of her testimony, witness Martin (USPS-T-6) estimates a 13.68 percent reduction in operating miles of plant-to-post office transportation.
- a. Please provide all data and supporting analyses used to determine the average percent reduction.
  - b. Please confirm whether or not all regions are represented in the calculation of the average percent reduction in operating miles. If not, please explain.
  - c. Please confirm that the percent reduction is a simple average of the regions under study. If confirmed, please explain the rationale for using a simple average rather than a weighted average.

**RESPONSE:**

- (a) The responsive data and analyses have been filed in library references USPS-LR-N2012-1/11 ("Plant to Post Office" spreadsheet), USPS-LR-N2012-1/27 and USPS-LR-N2012-1/NP8.
- (b) Not confirmed. Only 14 AMP studies, analyzing routes from four (4) areas, had been reviewed by my office at the time I finalized my testimony. Please see my response to PR/USPS-T6-12(e). When all of the AMP studies relevant to this docket have been completed, I will update the record to reflect the additional data.
- (c) Confirmed. In preparing my testimony for this docket, I calculated the weighted average percent reduction in operating miles and compared the result to the simple average. I included the simple average in my testimony because, when compared to the weighted average, the simple average was more conservative. A weighted average would have yielded a 14.32 percent reduction in operating miles, as shown in the chart below.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
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**RESPONSE TO QUESTION 11 (CONT.):**

<u>Trans Study Site</u>	<b>Plant to Post Office</b>		
	<b>Less Miles</b>	<b>%Impact</b>	<b>Wgt Avg</b>
Grand Island NE	(136,148)	-10.63%	14,473
Eau Claire WI	(386,872)	-11.92%	46,115
LaCrosse WI	(337,645)	-22.76%	76,848
Rochester MN	(92,281)	-7.64%	7,050
Duluth MN	(315,047)	-18.13%	57,118
Lafayette LA	(398,352)	-30.02%	119,585
Norfolk NE	(264,432)	-19.16%	50,665
Quincy IL	(273,190)	-3.73%	10,190
Owensboro KY	(44,072)	-3.70%	1,631
Campton KY	(115,126)	-54.25%	62,456
Bloomington IN	(38,118)	-1.80%	686
Kalamazoo MI	(1,042,672)	-4.88%	50,841
South FL	(1,101)	-0.05%	1
Lancaster PA	(36,956)	-2.84%	1,048
	<b>Average</b>	<b>-13.68%</b>	<b>-14.32%</b>

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS  
MARTIN TO PRESIDING OFFICER'S INFORMATION REQUEST No. 1**

12. Please explain how the proposed network changes affect Plant Load transportation and how these impacts are incorporated into the estimates of transportation capacity reductions.

**RESPONSE:**

For mail that is accepted at a mailer's plant for transport to a processing plant under a plant load agreement ("plant load transportation"), the proposed network changes will likely require adjustments in the "length of haul" to an alternate entry point in the network in the event that the original mail processing entry point is deactivated as the result of network rationalization. Because Plant Load transportation represents less than 1 percent of the overall transportation network, the impact to my estimate of capacity reduction is expected to be minimal. Therefore, these impacts were not incorporated into my estimates of transportation capacity reduction.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 1**

13. On page 15 of her testimony, witness Martin (USPS-T-6) estimates that 124 million pounds of First-Class Mail with a three-day service standard will be diverted from surface to air transportation annually as a result of the proposed changes in critical entry times.
- a. Please explain in detail the methodology used for estimating the number of pounds diverted.
  - b. Provide all supporting calculations.
  - c. Please quantify the surface transportation cost savings that result from moving 124 million pounds of mail to air transportation.
  - d. Please provide the estimated cost savings from mail diverted from air transportation to surface transportation as a result of changes in service standards. Include all supporting calculations, and identify where in the transportation cost savings estimates savings from diverting mail from air to surface is incorporated.

**RESPONSE:**

Please note that the Direct Testimony of Cheryl D. Martin on Behalf of the Postal Service (USPS-T-6) at 15, lines 3 through 5, was Revised on January 23, 2012.

The revised testimony states, "I have estimated that the volume of mail that will be transported via air transportation will increase by approximately 124 million pounds annually over current mail volumes transported by air." This correction is intended to clarify that the 124 million pound figure actually represents the net increase in air mail weight, not the total number of pounds that will be diverted from surface to air transportation annually as a result of the proposed changes in critical entry times.

(a-b) The following methodology and calculations were used to estimate the net volume and weight of First-Class Mail ("FCM") with a with a three-day service standard that will be diverted from surface to air transportation annually as a result of the proposed changes in critical entry times.

Except where indicated below, the input data files are contained in library references USPS-LR-N2012-1/25 and USPS-LR-N2012-1/NP7.

**Revised March 20, 2012**

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 1**

**RESPONSE TO QUESTION 13 (CONT.):**

1. The analysis began with the service standards matrix for Quarter 1 of FY2012. This matrix contains 850,950 Origin Three-Digit ZIP Code ("OZIP3") and Destination Three-Digit ZIP Code ("DZIP3") pairs ("O/D pairs"). It also contains the Quarter 1, FY2012 FCM service standard for each O/D pair. This service standards matrix is contained in a tab-delimited text file, "OrigStndPQ1FY2012," and is filed under Library Reference USPS-LR-N2012-1/62.
2. The current OZIP3-DZIP3 transportation mode matrix (file name "Current FCM Modes") was mapped to the service standards matrix described in ¶ 1 using the SAS code contained in the file "Attach.Resp. POIR1.Q13." This SAS code file has been filed under library reference USPS-LR-N2012-1/60.
3. The data in the file "FY2010 FCM ADV" were also mapped to the service standards matrix described in ¶ 1 using the SAS code. This file contains the average daily volume ("ADV") for FCM for the O/D pairs in FY2010. Steps 1-3 yielded the current mode and the average daily volume for the O/D pairs.
4. To determine the new transportation modes for the O/D pairs, the proposed outgoing and incoming facilities for the O/D ZIP Codes were mapped to the service standard matrix described in ¶ 1 using the SAS code. The information that links the proposed facilities to their ZIP Codes is filed under library reference USPS-LR-N2012-

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
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**RESPONSE TO QUESTION 13 (CONT.):**

1/17 (spreadsheet titled "17\_ZipAssignment\_LocalInsight").

5. The distance between the proposed facilities was mapped to the service standard matrix described in ¶ 1 using the SAS code. Facility-to-facility distance information is contained in the file "Proposed L201 to SCF Drive Time." PC Miler batchpro version 20.1, software that allows for the generation of road mileage estimates between any two points, was used to estimate the mileage between the proposed facility pairs. Time zones of the facilities were also mapped to the service standards matrix. Time zone data are publicly available.
6. The driving time between the proposed origin and destination pairs was determined by dividing the distances (d) between those facilities by a fixed travel speed (46.5 miles per hour). The driving time was then adjusted to account for time-zone changes between the origin and destination facilities. For example, if under the proposed network mail would be traveling from a facility in the Eastern Standard Time zone to one in the Central Standard Time zone, we subtract an hour from the actual driving time to account for the hour "gained" by traveling from one time zone to the other.
7. For mail traveling within the Continental United States (CONUS), the new service standard and transportation mode for each O/D

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
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**RESPONSE TO QUESTION 13 (CONT.):**

pair were determined as follows:<sup>1</sup>

- a. The pair was assigned two-day surface when the adjusted drive time between the two facilities was four hours or less. This includes instances where the incoming and outgoing processes occur at the same facility.
  - b. Remaining pairs were assigned three-day surface when the adjusted drive time between facilities was less than 24 hours.
  - c. All remaining pairs that did not meet the criteria above were assigned to three-day air.
8. The operations above permitted us to produce a file ("Proposed FCM Modes") that contained the new transportation modes for the proposed O/D pairs. Changes in the mode of transportation for particular O/D pairs, and the associated volumes, were determined by comparing the data in the "Current FCM Modes" spreadsheet with data in the "Proposed FCM Modes" spreadsheet as follows:
- a. For each O/D pair, if the current mode is air and the new mode is surface, then FCM volume for that O/D pair would be diverted from air to surface. The FCM volumes for these O/D pairs were aggregated to determine the total volume of FCM that will be diverted from air to surface.

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<sup>1</sup> The mode remained the same for all offshore pairs.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 1**

**RESPONSE TO QUESTION 13 (CONT.):**

- b. For each O/D pair, if the current mode is surface and the new mode is air, then FCM volume for that O/D pair would be diverted from surface to air. The FCM volumes for these O/D pairs were aggregated to determine the total volume of FCM that would be diverted from surface to air.
  - c. The total volume of FCM that would be diverted from air to surface was subtracted from the total volume of FCM that will be diverted from surface to air, thereby yielding the net volume of FCM that will be diverted from surface to air.
9. To convert the volume into annual weight, the change in air volume was converted from average daily volume (ADV) into annual volume by multiplying the volume by 302 processing days. The annual volume was converted to weight using a factor of .047LB/piece.

The responsive data are contained in the following files in library references USPS-LR-N2012-1/25 and USPS-LR-N2012-1/NP7. The results of these calculations are provided in USPS-LR-N2012-1/11 in the spreadsheet titled "Air Transportation Volume Diversion Data."

- (c) The surface transportation cost savings arising from shifting mail from highway transportation to air transportation are already captured in the overall estimated reduction of approximately 24.4 percent for Plant-to-Plant transportation. Because no material savings are expected from the

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
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**RESPONSE TO QUESTION 13 (CONT.):**

estimated reduction in highway transportation volume, no attempt was made to quantify that small part of the overall cost savings separately. The rationale for expecting no material cost savings is that the affected volume diverted to air transportation currently travels across many different trips in the surface network. Among other things, these trips carry mail volume for several destinations to surface transfer centers for additional sorting and transfer. Thus, the estimated reduction in highway volume of just 529 thousand pounds per day is so small compared to the surface network's size that it will likely decrease capacity utilization rather than eliminate entire trips.

- (d) The cost saving arising from mail being diverted from air transportation to surface transportation is already included in the overall increase in air transportation cost calculated by witness Bradley. That is because he calculates the additional cost of the net additional volume of 124 million pounds being diverted to air. As the table on the next page shows, the 124 million pounds is the difference between the amount of mail being diverted from surface to air transportation and the amount of mail being diverted the other way. As also shown, the approximately 118 thousand pounds per day diversion of volume from air to surface is quite small compared to the overall size of the highway transportation network and will not cause a measurable increase in highway costs.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
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**RESPONSE TO QUESTION 13 (CONT.):**

	<b>ADV</b>	<b>ADV LBS</b>	<b>Annual LBS</b>
Air to Surface	2,505,946	118,332	35,736,362
Surface to Air	11,216,625	529,656	159,956,131
<b>DIFF</b>	<b>8,710,679</b>	<b>411,324</b>	<b>124,219,769</b>

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 4**

5. Please refer to the Responses of the United States Postal Service to Questions 2(b), 9, 10, 12 and 15(l) of Presiding Officer's Information Request No. 1.
- a. Please refer to the response to question 9(b).
    - i. Please provide a description of the methodology for obtaining the 30.5 percent weighted average reduction in plant-to-plant transportation capacity and a copy of the spreadsheet or program where the calculation is performed, including all supporting details used.
    - ii. Please reconcile the difference in the total number of "potential trips eliminated" for the Eastern Area provided in the response to question 9(b), with the number provided in LR-USPS-N2012-1/1,1 Excel file "Transportation Spreadsheets LR," worksheet 'Plant to Plant Summary.'
  - b. Please refer to the response to question 10. Please provide all plant-to-plant surface transportation trips, and all information for each trip in the same table format as Excel file "Attach.Resp. POIR1.Q10," worksheet 'plant to plant Trips'.

**RESPONSE:**

- (a) Please see the responses below.
  - (i) The methodology used for determining which plant-to-plant trips could be eliminated from the rationalized network is provided in my testimony (USPS-T-6, at 9) and in my response to interrogatory GCA/USPS-T6-1. Because the number of trips in the transportation network varies by area, I calculated the weighted average by area. Please see the calculations in the spreadsheet attached to this response, labeled "AttPOIR4.Wght.Avg.PTP.PTPO (Martin).xls".
  - (ii) The table "Plant-to-Plant Summary" in USPS-LR-2012-1/11 and the table provided in response to Question 9 of the Presiding Officer's Information Request No. 1 contain typographical errors. The tables should show that the number of potential trips that could be

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 4**

**RESPONSE TO QUESTION 5 (CONT.):**

eliminated from the Eastern Area is 143. The Postal Service will file appropriate errata to my testimony and to any response to an interrogatory or question from the Presiding Officer that is impacted by the typographical errors.

- (b) Library Reference USPS-LR-N2012-1/11 includes a spreadsheet titled "Plant to Plant Trips" which contains the following information for 322 routes and each of the 1723 trips that comprise those routes: area, HCR id. no., trip no., annual frequency of the trip, origin, locations of the stops on the trip, destination, trip miles, trip purpose (expressed in terms of the mail class transported on the trip), and the utilization percentage of the trip. This information was compiled by reviewing each Highway Contract Route schedule and manually inputting the relevant data from those schedules into an Excel spreadsheet. (Each schedule contains one route.) The routes reflected in the spreadsheet represent a subset of the routes that currently comprise the transportation network.

In response to Question 10 of Presiding Officer's Information Request No. 1 (POIR No. 1), dated December 29, 2011, I provided the following additional information for each route included in the Plant to Plant Trips spreadsheet: annual cost and an indicator as to whether the trip was a "candidate for elimination." To produce this response, I had to manually input the requested data for the trips that were included in the Library Reference. The work product was provided in a file attached to

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 4**

**RESPONSE TO QUESTION 5 (CONT.):**

the response, labeled "Attach.Resp. POIR1.Q10.xls." Currently, there are approximately 1,550 plant-to-plant routes in the transportation network. Providing all of the information sought by this question would entail an analysis of many thousands of trips.

Additionally, Question 5(b) presupposes (inaccurately) that each surface transportation trip that will form part of the rationalized network has been identified by the Postal Service. Currently, the Postal Service is conducting Area Mail Processing ("AMP") consolidation reviews on selected mail processing facilities. See USPS-T-6, at 5. Each AMP review will include an evaluation of the available transportation between the gaining and losing facility, how such transportation should be adjusted, and any consequent increases or decreases in transportation costs. Until postal management issues a final decision to consolidate a specific facility, any study that has been generated as part of a consolidation review is subject to review, reevaluation, modification, and possibly withdrawal. Because the Postal Service has not made final decisions with respect to the vast majority of AMP reviews associated with this docket, and because the design of the transportation network (including the plant-to-plant portion of the network) is dependent upon the outcome of such final decisions, it not possible to provide a response to Question 5(b) that is both complete and final at this time.

To provide as much of the requested information in the most

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 4**

**RESPONSE TO QUESTION 5 (CONT.):**

expeditious manner possible, I obtained data from the Transportation Contracting Support System ("TCSS"). This enabled me to produce a spreadsheet that is similar to the one I filed in response to Question 10 of POIR No. 1. The spreadsheet is contained in Library Reference USPS-LR-N2012-1/65 and is labeled "Resp.POIR4.Q5b (Martin)". The spreadsheet is different from the one filed in response to Question 10 because the information on trip stops is presented vertically rather than horizontally. For example, for HCR Id. No. 22611, Trip "10" is listed three times. This means that this specific trip has three stops (including its destination).

Additionally, the spreadsheet does not indicate the purpose and utilization of the trip or whether the trip is a candidate for elimination because those data do not reside in the TCSS database. The Postal Service anticipates that all final decisions concerning the AMP reviews associated with this docket will be announced by postal management in mid to late February, 2012. The Postal Service will update the record with information indicating the purpose and utilization of the trip and whether the trip is a candidate for elimination within a reasonable time after those announcements.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 4**

6. Please refer to the Response of the United States Postal Service Witness Martin to question 11 of Presiding Officer's Information Request No. 1.
- a. Please provide a description of the methodology for obtaining the 14.32 percent weighted average reduction in operating miles of plant-to-post office transportation and a copy of the spreadsheet or program where the calculation is performed, including all supporting details used.
  - b. Please provide all current and proposed plant-to-post office routes and trips for all Areas in table format. For each route and/or trip, please include Area, origin post office/facility, destination post office/facility, stops, current mileage, current trip frequency, current cost, proposed mileage, proposed trip frequency, and proposed cost.

**RESPONSE:**

- (a) To estimate the percentage reduction in plant-to-Post Office operating miles I analyzed the transportation portions of the fourteen (14) AMP studies contained in library references USPS-LR-N2012-1/27 and USPS-LR-N2012-1/NP8. I added the current operating miles in the gaining and losing facilities to get the total current operating miles. I then added the proposed operating miles in the gaining and losing facilities to get the total proposed operating miles. Finally, I subtracted the current operating miles from the proposed operating miles to determine the reduction in operating miles for that AMP. Please see the calculations in the spreadsheet attached to this response, labeled "AttPOIR4.Wght.Avg.PTP.PTPO (Martin).xls".
- (b) For the reasons discussed in my response to Question 5(b) of Presiding Officer's Information Request No. 4 (POIR No. 4), I am unable to provide information on the proposed mileage, proposed trip frequency, and proposed cost of routes in the rationalized network at this time. The

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 4**

**RESPONSE TO QUESTION 6 (CONT.):**

Postal Service will update the record with this information within a reasonable time after the final AMP decisions discussed in my response to Question 5(b) are announced. The responsive information for all plant-to-Post Office routes in the current network is provided in a spreadsheet labeled "Resp.POIR4.Q6b (Martin).xls" which is contained in Library Reference USPS-LR-N2012-1/65.

## Attachment to Response of Postal Service Witness Martin to Questions 5(a)(i) and 6(a) of POIR No. 4

**Weighted Average with Formulas**

<b>Plant to Plant Transportation Reduction</b>				
Area	Total Trips	Potential Trips		Wgt Avg
		Eliminated	% Impact	
Northeast	247	86	35%	29.94
Eastern	434	143	33%	47.12
Cap Metro	290	89	31%	27.31
Great Lakes	262	69	26%	18.17
Southwest	168	44	26%	11.52
Western	210	34	16%	5.50
Pacific	112	4	4%	0.14
	<b>1723</b>	<b>469</b>	<b>24.39%</b>	<b>139.72</b>
				<b>29.79%</b>

<b>Plant to Post Office Operating Miles Reduction</b>			
	Less Miles	%Impact	Wgt Avg
Study 1	(136,148)	-10.63%	14,473
Study 2	(386,872)	-11.92%	46,115
Study 3	(337,645)	-22.76%	76,848
Study 4	(92,281)	-7.64%	7,050
Study 5	(315,047)	-18.13%	57,118
Study 6	(398,352)	-30.02%	119,585
Study 7	(264,432)	-19.16%	50,665
Study 8	(273,190)	-3.73%	10,190
Study 9	(44,072)	-3.70%	1,631
Study 10	(115,126)	-54.25%	62,456
Study 11	(38,118)	-1.80%	686
Study 12	(1,042,672)	-4.88%	50,841
Study 13	(1,101)	-0.05%	1
Study 14	(36,956)	-2.84%	1,048
		<b>-13.68%</b>	<b>-14.32%</b>

Revised March 19, 2012

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 4**

7. Please refer to the Response of the United States Postal Service Witness Martin to PR/USPS-T6-12(d). Please elaborate in detail the statistical methodology used for selecting the plant-to-post office routes for evaluation.

**RESPONSE:**

No statistical methodology was used. Please refer to my response to

NPMHU/USPS-T6-3.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 4**

8. In response to PR/USPS-T6-4(c) about plant-to-plant transportation, witness Martin stated that “[d]ata and calculations on increases in trip length have not been finalized and I did not rely on such data in preparing my testimony for this docket.”
- a. Please provide an updated estimate of the percentage reduction in plant-to-plant transportation capacity that incorporates the expected increases in trip length from network rationalization.
  - b. Please provide a discussion of methodology and all supporting analyses.

**RESPONSE:**

- (a-b) Because the design of the rationalized transportation network is not yet complete, I am unable to provide an updated estimate of the percentage reduction in plant-to-plant transportation activity that incorporates the expected increases in trip length from network rationalization at this time. The Postal Service will update the record with this information within a reasonable time after the AMP decisions discussed in my response to Question 5(b) are announced.

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

18. Please refer to the Response of the United States Postal Service Witness Martin to GCA/USPS-T6-2(b)(ii). In the response, witness Martin modified the "Plant to Plant Trips" spreadsheet filed under USPS-LR-N2012/11 to include a column identifying transportation category for each trip. Based on the information provided under the column "transportation category" in file "Attach.Resp.GCA.T6-2(b)(ii).xls", some of the trips are Intra-BMC and Inter-BMC transportation categories.
- a. Please confirm whether Intra-BMC and Inter-BMC transportation are in the scope of the plant-to-plant transportation.
  - b. If not confirmed, please discuss why such trips are incorporated in obtaining the potential percent reduction in plant-to-plant transportation capacity.

**RESPONSE:**

- (a) Confirmed.
- (b) N/A

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MARTIN  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

19. On page 9 of her testimony, witness Martin (USPS-T-6) states that a subset of routes in the network was analyzed to determine which trips might no longer be required in a rationalized mail processing environment. The subset of routes and the corresponding trips are provided in LR-N2012-1/11, file "Transportation Spreadsheets LR.xls", worksheet "Plant to Plant Trips."
- a. Please confirm that this subset of routes represent a statistical sample of all plant-to-plant routes.
  - b. If confirmed, please explain the statistical sampling methodology used. If not, please discuss how the subset of plant-to-plant routes was selected for your analysis.

**RESPONSE:**

- (a) Not confirmed.
- (b) The subset consists of the routes over which I have administrative responsibility and was selected on that basis.

1           CHAIRMAN GOLDWAY: Is there any additional  
2 written cross-examination for Witness Martin?

3           MR. ANDERSON: Madam Chairman, Darryl  
4 Anderson for the APWU.

5           The APWU has just received interrogatory  
6 responses from this witness, and it's likely therefore  
7 I think that we will have additional designations, but  
8 we're not in a position to make them at this moment.  
9 We will attempt to review these. It looks like we're  
10 probably going to have a lunch break at some point,  
11 and it may be that that will be done today, but it may  
12 be necessary to reserve the opportunity to do that for  
13 later.

14          CHAIRMAN GOLDWAY: I will note that and  
15 we'll give you the opportunity later in the day if you  
16 feel it's necessary to do that.

17          MR. ANDERSON: Thank you, Madam Chairman.

18          CHAIRMAN GOLDWAY: I have a note here that,  
19 Mr. Connolly, you may not have given your full name  
20 for the record, and I wanted to make sure that you did  
21 that representing the Postal Service.

22          MR. CONNOLLY: Thank you for the  
23 opportunity. It's Matthew Joseph Connolly.

24          CHAIRMAN GOLDWAY: Thank you.

25          If that completes the written material to be

1 submitted at the moment, we come to cross-examination,  
2 and there are three participants who have indicated  
3 that they wish to cross-examine this witness: The  
4 American Postal Workers Union, AFL-CIO, Mr. Anderson.  
5 The National Postal Mail Handlers Union, Ms. Keller  
6 and the Public Representative, Mr. Laver.

7 Is there any other participant who wishes to  
8 cross-examine this witness?

9 (No response.)

10 CHAIRMAN GOLDWAY: If not, Mr. Anderson,  
11 please identify yourself and begin.

12 MR. ANDERSON: Thank you, Madam Chairman.  
13 I'm Darryl Anderson, counsel for the American Postal  
14 Workers Union, AFL-CIO.

15 CROSS-EXAMINATION

16 BY MR. ANDERSON:

17 Q Good morning, Ms. Martin.

18 A Good morning.

19 Q Thank you for being here for this testimony.

20 MR. ANDERSON: At this time, I'd like to  
21 distribute and have marked as APWU Cross-Examination  
22 Exhibit 1 a document provided to the APWU by the  
23 Postal Service dated February 13, 2012. It's entitled  
24 Network Rationalization, APWU, Article 12.4.B Meeting,  
25 and I'm just going to refer to one page of the

1 document, but I don't want to take it out of context,  
2 so with the Chair's permission, I'll approach the  
3 witness and provide a copy and also for the panel.

4 CHAIRMAN GOLDWAY: You may do that.

5 MR. ANDERSON: It's Exhibit 2. Pardon me.

6 (Pause.)

7 (The document referred to was  
8 marked for identification as  
9 APWU Cross-Examination  
10 Exhibit No. 2.)

11 BY MR. ANDERSON:

12 Q Ms. Martin, have you seen this document  
13 before?

14 A Without going through it fully, I can't say  
15 if I have or not.

16 Q Okay.

17 A I believe it does look familiar.

18 Q I'd like to direct your attention to what  
19 would appear to be page 12 of this document, although  
20 I don't see a page number on it. It's between 11 and  
21 13, so I submit it's page 12. Do you have that before  
22 you?

23 A Yes, I do.

24 Q Now that, for the record, it says at the top  
25 of the page "Proposed Area Hubs", indicating a

1 processing plant with five arrows drawn to hubs, each  
2 of which has between, oh, three and seven arrows also  
3 pointing away from each of the hubs. I did not see  
4 this as part of your testimony. Is this proposed area  
5 hub idea or concept embodied in your testimony  
6 anyplace?

7 A No, it is not.

8 Q And are you now today familiar with this  
9 concept as the Postal Service has presented it?

10 A I'm only familiar with the concept as it  
11 relates to what was proposed in the area mail  
12 processing proposals. I have not seen this particular  
13 diagram, and the facing of or the first couple of  
14 pages into the presentation looks familiar, but as I  
15 go through the remaining pages it does not, so this is  
16 not familiar to me, the area hub proposed.

17 Q It's my understand that hubs exist in the  
18 transportation system today, isn't that right?

19 A That is correct.

20 Q And is it also correct that if the number of  
21 processing plants were to be reduced, then the  
22 necessity for hubs would be increased, isn't that  
23 correct?

24 A Well, without doing the analysis, I'm not  
25 sure whether or not we will increase all the hubs. We

1 haven't made a decision about hubs yet, so I'm not  
2 really familiar on how many or locations or if they  
3 are even necessary based on the redesign of the  
4 transportation network.

5 Q So my question was meant to be a conceptual  
6 one that inferred from the information on this page as  
7 well as from practical realities that the elimination  
8 of processing plants will require this type of  
9 transportation hub-and-spoke arrangement more than is  
10 provided in today's network.

11 A Conceptually, yes. I would agree  
12 conceptually.

13 Q Not it could, it will?

14 A I have not finished or finalized the  
15 analysis yet to determine whether or not we were going  
16 to have hubs, so conceptually I would agree that this  
17 concept is something that would be feasible for the  
18 Postal Service to do if it's going to relate in  
19 increasing the efficiency of the transportation  
20 network.

21 Q My understanding is that if a vehicle is  
22 only 60 percent full or less, then the Postal Service  
23 will look for opportunities to find consolidation  
24 opportunities, isn't that correct?

25 A Yes. We do that on the long-haul network

1 today.

2 Q And is that a type of hub operation as well?

3 A That is a hub operation, yes.

4 Q And much of what you're proposing as  
5 supposed savings in this transportation network is due  
6 to being able to load vehicles fuller, isn't that  
7 correct?

8 A Yes, sir.

9 Q But there's nothing in your costing  
10 estimates that estimates anything for the cost of  
11 hubs, isn't that correct?

12 A Well, in my analysis, I provided the  
13 information for the costing estimates. There was  
14 nothing inserted for this type of hub concept, no.

15 Q Could I direct your attention to page 7 of  
16 your testimony, please?

17 A Okay.

18 Q These are mail processing transportation,  
19 and you're talking about plant-to-plant changes in  
20 this page, is that correct?

21 A Yes.

22 Q Okay. Then you seem to be emphasizing in  
23 your presentation in your prepared testimony the fact  
24 that with fewer plants there will be fewer segments or  
25 fewer of these spokes as you count them here and

1 compare them between page 7 and page 8. Is that the  
2 way you're calculating the savings from this  
3 consolidation?

4 A From this consolidation, I'm saying that if  
5 there is less mail processing plants, then we would  
6 have less connectivity or less links between the  
7 remaining plants in the network.

8 Q So that one measure of savings is how many  
9 connectivities you have?

10 A That's cor --

11 MR. CONNOLLY: Sorry. Sorry, I have nothing  
12 to add.

13 BY MR. ANDERSON:

14 Q All right. So, when I look at the hub-and-  
15 spoke operation on page 12 of APWU Cross-Examination  
16 Exhibit 2, then I might be concerned about how many  
17 different new connectivities and spokes are created in  
18 a hub-and-spoke operation, isn't that correct?

19 A Yes, I guess.

20 Q It's something to be considered?

21 A It is something to be considered.

22 Q Would you be in a position to go back to  
23 postal headquarters and ask whoever devised what I  
24 have here as this exhibit in front of you to confer  
25 with you about how that meshes with your testimony and

1 to perhaps update your testimony with reference to  
2 this concept? Is that something you could do?

3 A I can confer with the individuals that put  
4 this together. I don't know who it was or who the  
5 presentation was delivered to.

6 Q Remind us where you fit into the Postal  
7 Service management structure. You're a manager for  
8 postal vehicle service operations, is that right?

9 A I'm the manager of surface transportation  
10 operations for the Postal Service.

11 Q So that's broader than PVS. You have  
12 authority over highway contracting routes as well, is  
13 that right?

14 A Yes, those highway contract routes that are  
15 assigned to my administrative responsibility.

16 Q Well, are there others that are not assigned  
17 to your responsibility?

18 A Yes. Administratively we have the highway  
19 transportation network, has administrative  
20 responsibility across the nation. I own a subset of  
21 those. I'm responsible for a subset of the long haul  
22 or the inter-area and inter-in D.C. transportation  
23 network.

24 Q And how would you describe that subset?  
25 What defines that subset? What subset do you have?

1           A     Under my administrative responsibility, I  
2     have the subset of the inter-area plant-to-plant  
3     transportation, including the surface transportation  
4     that operates between the plants and the surface  
5     transfer centers or hubs.

6           Q     Do you also have management responsibility  
7     for transportation between plants and post offices?

8           A     We have overall policy responsibility for  
9     the operations of surface transportation.

10          Q     Your office does?

11          A     Yes. Yes, sir.

12          Q     And you're the head of that office?

13          A     Yes, I am the manager.

14          Q     You're the manager. You're the top manager,  
15     is that right?

16          A     I'm the manager for that function, yes.

17          Q     Okay. So, when you say you have policy  
18     responsibility, I'm not sure if you're distinguishing  
19     between policy and operations. Do you have day-to-day  
20     operational responsibility?

21          A     I don't have day-to-day responsibility. I  
22     do have the responsibility of setting policy and  
23     procedures on a national level that the field is  
24     guided by when they do their implementation. We also  
25     have responsibility for tactical implementation of

1 ceratin initiatives.

2 Q Okay. Thank you for that clarification.

3 CHAIRMAN GOLDWAY: May I just interrupt?  
4 When Mr. Williams was here the other day, he said he  
5 had a team of people that he met with regularly to  
6 develop this plan. Are you part of that team?

7 THE WITNESS: I work with Mr. Williams's  
8 group and I do participate in any meetings that I'm  
9 asked to attend.

10 BY MR. ANDERSON:

11 Q I think the answer therefore is no?

12 A No. I'm a part of the network optimization  
13 or the national network rationalization initiative  
14 because I have a huge component to recalibrate or  
15 reposition the network, and I do attend the meetings  
16 that we do convene to discuss things that is germane  
17 to my functional responsibility.

18 Q Excuse me. And who do you directly report  
19 to, ma'am?

20 A Cynthia Mallonee. She's the manager of  
21 logistics in network operations.

22 Q How do you spell her last name?

23 A M-A-L-L-O-N-E-E.

24 Q And it's Mallonee, is that correct?

25 A Yes.

1 Q And what is her title?

2 A She's the manager of logistics in network  
3 operations.

4 Q Is Ms. Mallonee on Mr. Williams' team for --

5 A Yes, she is.

6 Q And does she attend all the meetings? Do  
7 you know?

8 A All the meetings we are asked to attend.

9 Q I'm sorry. Don't get me wrong. I don't  
10 mean to suggest that I disbelieve you and I do not  
11 intend to go back over the same ground, but you  
12 mentioned you attend those meetings that you're asked  
13 to attend. I was just trying to clarify whether she  
14 attends some meetings that you don't attend, perhaps  
15 all meetings, and that was the purpose of my question.

16 A I can't answer.

17 Q Okay, thank you. That's fine. You know, "I  
18 don't know" is always a good answer. That always  
19 works.

20 If I could direct your attention to page 7  
21 of your testimony and lines 16 through 18. Your  
22 prepared testimony says, "The Postal Service must  
23 provide for the transportation of mail over those  
24 links," referring to these plant-to-plant links. And  
25 you say, "Such transportation is provided primarily by

1 HCR service." What's the significance of putting that  
2 in your testimony if you know?

3 A In talking about this particular conceptual  
4 hypothetical diagram here, we were talking about a lot  
5 of the inter-area, the long distance transportation,  
6 and, frankly, the highway contract suppliers operate  
7 more of the transportation that's between our plants  
8 for distances greater than about 250 to 300 miles.

9 Q Is there a contractual limitation on how far  
10 motor vehicle service employees will transport the  
11 mail?

12 A It is my understanding that there is a limit  
13 in terms -- it's a total time limit that the employee  
14 could safely operate, including their breaks and  
15 lunches, and then return back to the home office. I  
16 believe there is a limit.

17 Q You're saying it's your understanding is  
18 there may be a contractual limit that would have to do  
19 with their work hours. Is that what you're saying?

20 A Yes.

21 Q I understand. I'll ask you more about that  
22 in a moment. It may be that you won't know, but we'll  
23 try to get into that.

24 Now, as I understand your testimony, you use  
25 a slightly different concept in dealing with plant-to-

1 post office transportation. May I direct you to pages  
2 10 and 11 of your testimony, please? And once again  
3 you have these diagrams, one on page 10 and one on  
4 page 11, showing the consequences of elimination of  
5 one of the processing plants with regard to  
6 transportation from plants to post offices. Is that a  
7 fair summary of what those diagrams show?

8 A Yes.

9 Q Okay. And here in this area you don't  
10 emphasize the number of arrows, but you're talking  
11 about the number of -- the operating miles. Is that a  
12 fair characterization as well?

13 A Yes.

14 Q And I'm not sure why. Just looking at these  
15 diagrams, and I haven't measured the arrows, but just  
16 looking at these diagrams, it's not clear to me why  
17 the mileage would be much reduced if plant A has to  
18 service post offices at the far end of plant B's  
19 network. So it looks to me like that extends the  
20 miles rather than shortening it.

21 A Oh, yes, it could extend the miles, but  
22 again we operate a significant amount of trips between  
23 these plants to the post offices that are not full.  
24 So where we would increase the mileage band in terms  
25 of the additional service points we would put on the

1 trip, essentially we're saying that, you know, because  
2 of rationalizing the network we're able to reduce  
3 overall operating miles by eliminating trips that  
4 today are not full, and the combination of trying to  
5 reconfigure the schedule, that it makes it conducive  
6 to transport mail to a post office and return mail to  
7 the plant, which is the collection process. What  
8 we're trying to do today is configure a network that  
9 has that opportunity for us.

10 Q Now I'm looking at page 11 of your testimony  
11 and page 12 of the exhibit that I gave you, and I'm  
12 imagining hubs and spokes as part of that network. Is  
13 that logical to you that that is a fairly likely  
14 outcome, that there will be hubs and spokes in  
15 addition to the arrows you've drawn on page 11 here?

16 A Yes, I think that that's a fair assessment  
17 that there could be.

18 Q Now you state in your testimony in a couple  
19 of places, you make pointed distinctions between PVS  
20 routes and highway contract routes called HCR routes.  
21 PVS is postal employees and HCRs are contractors. I'm  
22 asking you to confirm that because I want to make sure  
23 the Commissioners are aware when I say use these  
24 acronyms of what they are. PVS is postal?

25 A Yes.

1 Q HCR is contractors?

2 A Yes.

3 Q Okay. And on page 13, if I could direct  
4 your attention to lines 8 and 9, you say, "The Postal  
5 Service could also reduce costs through the  
6 elimination of PVS at location deactivated as a result  
7 of rationalization." Why are you focusing on PVS in  
8 that sentence?

9 A Well, the focus on PVS is more or less to  
10 say if there was a PVS operation in a site that was  
11 deactivating and there was an opportunity for us to  
12 look at the cost of operating that service compared to  
13 highway contract, that we think that there could  
14 potentially be an opportunity to reduce overall costs.  
15 That's what the statement is to mean.

16 Q Now you've modified in your corrected  
17 testimony the sentence following that as I understand  
18 it, or your initial testimony said, "The service has  
19 also determined that this transportation  
20 responsibility will be transferred to HCR rather than  
21 PVS transportation." And now I know that your  
22 testimony now reads "...is planning to transfer this  
23 transportation responsibility from PVS to HCR to the  
24 extent that such transfer is consistent with  
25 applicable collective bargaining obligations." So

1 have I got that change correctly now?

2 A Yes, you do.

3 Q Okay. But you're still planning on doing  
4 it, and so I guess the question is why are you  
5 planning on transferring these PVS routes to HCR?

6 A Well, we are going to go through an  
7 evaluation as we normally do to look at the impact of  
8 postal vehicle service as it results with the  
9 deactivation of these locations. If there is no  
10 presence or oversight or we shut the facilities down,  
11 then you would have to go through the process of  
12 looking at -- like we normally do when we look at mode  
13 conversions to convert the work from PVS or postal  
14 employees.

15 Q Okay. So I think you just segued into what  
16 I was trying to get you to talk about, but you're  
17 using a terminology that's obscure even to me.

18 A Okay.

19 Q So as I understand what you're saying in  
20 terms I would understand is that as part of this  
21 process some of these routes are going to be changed  
22 because the distances will change, the timing will  
23 change, various things will change that will affect  
24 some of these PVS routes, isn't that right?

25 A That's correct.

1           Q     And when that happens, the Postal Service is  
2     planning to transfer that transportation  
3     responsibility from PVS to HCR, isn't that right?

4           A     Yes, I see that.

5           Q     This is not a labor relations question.

6           A     No, I know.

7           Q     This is a financial question and an  
8     operations question. I'm not trying to arbitrate  
9     here. And I understand it's to the extent consistent,  
10    but in your mind that's where you're headed, isn't  
11    that correct?

12          A     Well, we're planning to look at all of the  
13    opportunity in terms of what the transportation  
14    network needs to be in terms of the new configured  
15    network. And if PVS is part of that evaluation, which  
16    it will be, we're going to do an evaluation to see if  
17    it's still the best opportunity to operate. We're  
18    going to do what we do normally when we look at the  
19    business case.

20          Q     I appreciate that. I guess all I want to  
21    ask of you then is, Ms. Martin, would you confirm and  
22    represent that the Postal Service will provide a fair  
23    evaluation of PVS as a possible alternative to highway  
24    contracting as these new routes are staffed? Will you  
25    do that?

1 A Yes, we will.

2 Q Thank you. Now, in terms of cost savings,  
3 if it were to be the case that contracting out one of  
4 these altered routes proved to be cheaper than keeping  
5 postal employees doing it, I would submit to you that  
6 that's not a cost savings that should be attributed to  
7 the network consolidation plan. Do you understand why  
8 I'm saying that?

9 A No, I don't.

10 Q I'll break that down for you if you don't.  
11 You're aware of Article 32 of the collective  
12 bargaining agreement?

13 A Yes, I am.

14 Q Okay. That has to do with contracting out.

15 A Yes, it does.

16 Q So, even without network consolidation, we  
17 could take some of the arrows on either one of your  
18 diagrams here and the Postal Service could do a route  
19 evaluation and decide we could save money by  
20 contracting this out to a highway contractor, isn't  
21 that correct?

22 A That's correct.

23 Q Okay. So that isn't that the very same  
24 process you're suggesting you're going to be going  
25 through when these routes are changed? You're going

1 to be applying a financial evaluation to determine  
2 whether to do that through contractors or through  
3 postal employees, isn't that correct?

4 A That's correct.

5 Q That's the same process that you used and  
6 have used for many years in determining whether to  
7 contract out or not, isn't that correct?

8 A Yes.

9 Q So now do you understand why I'm saying that  
10 any such savings if there were to be any will not be  
11 attributable to the network consolidation? Do you  
12 understand my point?

13 A Yes, I understand your point.

14 Q Would you agree with it?

15 A But I think there is not -- well, I think  
16 this is an opportunity to look at these sites as a  
17 result of the deactivation and I think it is  
18 rationalization.

19 Q Okay. It certainly requires the Postal  
20 Service to look at it, but isn't that part of your  
21 obligation even today? Doesn't the Postal Service  
22 constantly evaluate routes and determine whether they  
23 can save money by contracting them out?

24 A We have regularly done that in the past,  
25 yes, but we have not recently picked up that activity.

1 We just see that it's an opportunity to look at these  
2 particular sites that are impacted as a result of  
3 network rationalization and do a fair cost evaluation.

4 Q And it's your testimony that you think  
5 you're going to save money by contracting them out?

6 A Well, it's not my testimony. I think that  
7 from what we've known from experience we believe that  
8 we're going to save money contracting out or could  
9 potentially save money from contracting it out.

10 MR. ANDERSON: I'm going to distribute what  
11 I'd like to have marked as APWU Cross-Examination  
12 Exhibit 3.

13 (The document referred to was  
14 marked for identification as  
15 APWU Cross-Examination  
16 Exhibit No. 3.)

17 MR. ANDERSON: Now let the record show that  
18 what I've distributed is an excerpt from the  
19 collective bargaining agreement between the APWU and  
20 the Postal Service for the period November 20, 2010  
21 through May 20, 2015. And it's just an excerpt. I  
22 have the cover page here and I want to make sure the  
23 Commission is aware of these provisions and will do it  
24 as briefly as I can and make sure that the witness is  
25 aware of them as well or find out whether the witness

1 is aware of them.

2 BY MR. ANDERSON:

3 Q First, Ms. Martin, you see Article 32 is  
4 here. You and I have already discussed that. Now  
5 Article 32 you'll agree requires a notice to the APWU  
6 if the Postal Service intends to contract out PVS  
7 routes, isn't that right?

8 A We do provide a notice when we prepare the  
9 justification or the business case if you will.

10 Q Doesn't it require advance notification to  
11 the American Postal Workers Union?

12 A I'm not sure. This is the new contract, is  
13 this not right? This is the one that was just  
14 ratified last year?

15 Q Well, can I direct your attention to the  
16 second page of this exhibit, Article 32, Section 1(b).  
17 It says, "The employer will give advance notification  
18 to the union," I'm reading now in the first line there  
19 in Section 1(b). "The employer will give advance  
20 notification to the union at the national level when  
21 subcontracting which will have a significant impact on  
22 bargaining unit work is being considered and will meet  
23 with the union while developing the initial  
24 comparative analysis report."

25 I think it's your testimony that the union

1 has not been notified about any plans by the Postal  
2 Service to convert these new routes. Is that your  
3 testimony?

4 A Yes, it is.

5 Q Pardon me?

6 A Yes.

7 Q Okay. Now do you know what a nontraditional  
8 full-time assignment is?

9 A No, I don't.

10 Q So you're not aware that in this 2010  
11 agreement the American Postal Workers Union agreed to  
12 the creation of full-time bid assignments that are not  
13 eight hours in a day?

14 A I'm familiar with the term and the new job  
15 position classification, but I'm not fully  
16 understanding what nontraditional full-time means per  
17 se.

18 Q All right. I understand. So, as a policy  
19 from your policy position, you haven't looked at the  
20 2010 national agreement to see whether it would affect  
21 how you evaluate PVS routes versus HCR routes?

22 A We are doing that now. We do have the 2010  
23 agreement. We are working with the APWU on  
24 initiatives to in-source as an example and we are  
25 looking at whatever is applicable in the collective

1 bargaining agreement and where it's applicable working  
2 with the union to ensure that we're doing -- we're  
3 doing several initiatives currently with the APWU.

4 Q Now are you aware that under the new  
5 agreement PVS employees can drive more than eight  
6 hours in a day without receiving daily overtime?

7 A Yes, I am. They can go, but they don't  
8 go as -- there is a limit.

9 Q Well, isn't the limit now the same as the  
10 Department of Transportation limit on the private  
11 sector?

12 A Yes.

13 Q Right. So there is a limit on contractor  
14 employees and there is a limit on PVS employees,  
15 right?

16 A There is a limit, yes.

17 Q Whereas before this agreement the limit on  
18 PVS employees --

19 A Was eight hours.

20 Q -- was eight hours except that the --

21 A Without overtime.

22 Q Without -- exactly. Thank you. So that's  
23 one change. And do you know what I mean by a PSE  
24 employee or this new category of employees called PSE  
25 employees?

1           A     My interpretation is that it was a former  
2 casual that's now a PSE employee, but all the nuances  
3 concerning PSE I'm not really familiar with.

4           Q     Okay. These are postal support employees,  
5 by the way, that's what PSE stands for. Are you aware  
6 that the motor vehicle service can have up to 10  
7 percent of their employees as now PSE employees?

8           A     Yes.

9           Q     Are you aware that PSE employees have a  
10 lower hourly rate of pay than career employees?

11          A     Yes, I am.

12          Q     Are you aware that PSE employees' hourly  
13 rate is in many cases lower than hourly rates paid to  
14 drivers in the private sector?

15          A     Yes.

16          Q     Are you aware that PSE employees receive no  
17 retirement benefits?

18          A     No.

19          Q     Will you accept my representation that they  
20 don't?

21          A     Yes, I will.

22          Q     Okay. That would be a pretty significant  
23 cost item, wouldn't it?

24          A     Yes, it would.

25          Q     Okay. Does the Postal Service ever

1 consider -- I'm sorry, I don't want to argue with you.  
2 Does the Postal Service sometimes consider bringing  
3 contracted routes back into the motor vehicle service  
4 and make them PVS routes? Is that something that ever  
5 happens?

6 A Yes. We've done that on occasion. We're  
7 working on that initiative now to in-source as a  
8 result of this new contract.

9 Q Okay. And with regard to this percentage  
10 limitation on PSE employees, are you aware that if an  
11 HCR route is brought back into the PVS that there is  
12 no limit on the number of PSE employees, the  
13 percentage of PSE employees that could be used for  
14 those routes?

15 A I'm not totally familiar with everything.

16 Q I'd like to direct your attention to page  
17 369 of the national agreement. This excerpt is in --  
18 this would be like the second to the last page of this  
19 excerpt, and just to refresh your recollection there,  
20 there is a memorandum in the middle of that page  
21 regarding contracting or in-sourcing of contracted  
22 service, and you'll see -- I'll represent to you that  
23 it means what it says, that if you can perform the  
24 work at equal or less cost in-house, then you'll be  
25 doing it in-house, isn't that correct?

1           A     That's correct.

2           Q     And with regard to the other side of that  
3     coin that you were alluding to in your testimony, your  
4     written testimony, about opportunities to convert PVS  
5     routes to HCR routes, hasn't the Postal Service in the  
6     memorandum there on page 369 and 370 made a commitment  
7     to provide early notification to the union of any  
8     intention to do that?

9           A     Based on what's published here, it appears  
10    so, yes.

11          Q     The parties have agreed that it's in both  
12    parties' best interest to meet and discuss national  
13    outsourcing initiatives at an early stage of the  
14    process.

15                   CHAIRMAN GOLDWAY:  You have a question, Mr.  
16    Anderson?

17                           (Pause.)

18                   BY MR. ANDERSON:

19          Q     Ms. Martin, so I've inferred that your  
20    written testimony was based basically on the situation  
21    as it existed at an earlier point in time.  As we  
22    heard I think other witnesses testify, in your  
23    analyses, you were assuming conditions as they existed  
24    in 2010, isn't that correct?

25          A     Yes.

1           Q     Are you aware that the APWU has initiated  
2     discussions with the Postal Service with the concept  
3     of evaluating entire metropolitan areas, highway  
4     transportation or mail transportation in an entire  
5     metropolitan area as opposed to evaluating them only  
6     route by route?

7           A     Yes, I'm familiar with that initiative.

8           Q     Okay. So that in a sense that might cut  
9     across the types of transportation diagrams you've  
10    presented in your written testimony. Is that a fair  
11    statement?

12          A     It could.

13          Q     And so is the Postal Service engaged in that  
14    process with the APWU?

15          A     Yes, we are.

16          Q     So that's something that might affect your  
17    testimony as well if that were to come to pass, is  
18    that correct?

19          A     As far as the outcome, yes. If the  
20    initiative that we're working with the APWU is one  
21    that can demonstrate that we have the ability to  
22    continue the operation of PVS, we would not outsource  
23    the work.

24          Q     Now, with regard to the changes in three-  
25    digit ZIP to three-digit ZIP configurations of the

1 mail processing network, I know those are some of the  
2 changes you were describing in your testimony, your  
3 written testimony, isn't that correct? As those are  
4 changed it affects the transportation network?

5 A Yes, it does.

6 Q Do you know what percentage volume of the  
7 transportation of parcel subcategories, including  
8 Priority Mail, will be affected by those reconfigured  
9 three-digit ZIPs?

10 A I'm not familiar.

11 Q In one of your interrogatory responses, I  
12 think No. 7, Section E, you say that you understand  
13 that the Postal Service has estimated that  
14 approximately 22 percent of Priority Mail processed  
15 within the plant network is currently processed at a  
16 location that has been approved as a consolidation  
17 opportunity and that any such Priority Mail volume  
18 could be affected by increases or decreases.

19 So what I want to ask you about that is that  
20 some of these increases or decreases in transit  
21 distance could translate into increases or decreases  
22 in transit days as well for products such as Priority  
23 Mail, is that correct?

24 A Well, if there is an impact to the Priority  
25 Mail and priority is not timely, then we would switch

1 the mode of transportation to ensure that it gets the  
2 service, the appropriate service level that we are  
3 requiring to deliver to the customer.

4 Q But within the service standard for Priority  
5 Mail there may be as I understand it a two-day  
6 flexibility there. It's going to be delivered on day  
7 two or day three and still be considered timely, is  
8 that right?

9 A Yes.

10 Q So that it's possible that because of  
11 greater transportation distances it will be delivered  
12 in three days instead of two days, but it would still  
13 be within the delivery standard, isn't that possible?

14 A The transit distance on Priority Mail is not  
15 predominantly impacted as a result of my analysis  
16 anyway of the subset of routes that I looked at. The  
17 Priority Mail service standards or the arrival of the  
18 delivery time at destination is not going to change,  
19 and we do have a pretty strong priority network that  
20 we're going to not disturb today.

21 If the distance is expanded as a result of  
22 Priority Mail operations processed somewhere else and  
23 we cannot achieve that transit distance on time, then  
24 we switch the mode of transportation to get the mail  
25 there on time, and that might result in putting mail

1 in air, but I don't have any indication that we're  
2 going to do that at this point.

3 Q So you're saying that the Postal Service is  
4 committed to doing whatever is necessary to continue  
5 the current operating standard even if that includes  
6 changing the transportation mode if necessary?

7 A Priority Mail impact was not part of the  
8 testimony. I mean, as far as my review, we were  
9 looking at the impacts to the First Class Mail network  
10 and where those changes were going to occur and what  
11 mail would now have to resort to alternate modes of  
12 transportation to get there on time.

13 Priority as I understand is not going to be  
14 an impact in terms of when we get it and when we have  
15 to move it and the delivery time at destination.

16 MR. ANDERSON: Those are the only questions  
17 I have at this time.

18 CHAIRMAN GOLDWAY: Thank you, Mr. Anderson.

19 I'm hoping to go to about 12:30. Ms.  
20 Keller, how long is your questioning going to be?

21 MS. KELLER: I don't think I will be done by  
22 12:30. I'm happy to start and we can come to a  
23 natural breaking point.

24 CHAIRMAN GOLDWAY: Let's do that. Keep in  
25 mind a natural breaking point, okay?

1 MS. KELLER: Thank you.

2 CROSS-EXAMINATION

3 BY MS. KELLER:

4 Q I was about to say good morning, Ms. Martin,  
5 but I guess I'll now have to say good afternoon first.

6 A Good afternoon to you.

7 Q My name is Kathleen Keller. I'm here  
8 representing the National Postal Mail Handlers Union.  
9 I'd like to start by looking at your testimony.

10 MS. KELLER: Oh, I'm sorry. Do you need me  
11 to start over?

12 BY MS. KELLER:

13 Q Good afternoon, Ms. Martin. My name is  
14 Kathleen Keller. I'm here representing the National  
15 Postal Mail Handlers Union.

16 I'd like to start by looking at your  
17 testimony and specifically your estimates of reduction  
18 in plant-to-plant transportation costs. Your  
19 testimony had initially estimated a 24.7 reduction in  
20 plant-to-plant trips and there was a revision  
21 submitted to that testimony. Can you tell me, was  
22 that revision simply to correct a mathematical error,  
23 or was there a substantive reason for that revision?

24 A It was to correct a mathematical error. We  
25 identified trips more -- there was an error in the

1 number of trips that we identified as a candidate for  
2 elimination.

3 Q You filed Library Reference 11, which  
4 contains the supporting calculations for the estimates  
5 contained in your testimony, and I'd like to look at  
6 that library reference with you and ask you a few  
7 questions about how those calculations were done.

8 A Sure.

9 MS. KELLER: If I may approach?

10 CHAIRMAN GOLDWAY: Yes, by all means.

11 MR. CONNOLLY: Madam Chairman, this is  
12 Matthew Connolly for the Postal Service. I'd just  
13 like to point out that the version of LR-11 that was  
14 just distributed does not reflect errata that were  
15 filed on March 19 and that we included today as part  
16 of moving the direct testimony into evidence.

17 MS. KELLER: That's correct. This is  
18 Kathleen Keller for the Mail Handlers Union again.

19 I have copies here of the errata that was  
20 filed by the Postal Service. If it would be helpful  
21 to the Commission or the witness, I'm happy to  
22 distribute those as well, but I don't think my  
23 questions will get to that level of specific detail.

24 CHAIRMAN GOLDWAY: Your questions won't deal  
25 with the specifics, so can we assume that the

1 corrected testimony is in fact what you're submitting  
2 even though you didn't have copies of it to submit  
3 today?

4 MS. KELLER: Yes, yes. Thank you.

5 BY MS. KELLER:

6 Q This library reference was an Excel document  
7 that had a number of spreadsheets. The first page of  
8 the package that I've handed you is the first  
9 spreadsheet and it was titled Plant-to-Plant  
10 Transportation Summary.

11 Now you reviewed a number of trips within  
12 the HCR network in order to come up with your estimate  
13 of trip production, correct?

14 A Yes, ma'am.

15 Q But you did not review the entirety of all  
16 trips or routes within the HCR network, correct?

17 A No, I did not.

18 Q My understanding is you reviewed the ones  
19 that are under your responsibility, is that correct?

20 A The majority of the ones. It's not even all  
21 of the -- it's almost 100 percent. It's like 95  
22 percent of the routes that are under my  
23 responsibility, yes.

24 Q Okay. And what would that 5 percent gap be?  
25 What would be the ones that you --

1           A     The ones that really had a frequency of  
2 something for just a holiday event or something else  
3 that we would not have information on or data on.

4           Q     Okay. And I know you've testified a bit  
5 about what was within your responsibility. I just  
6 wanted to clarify that a little. I believe you  
7 testified that the inter-area plant-to-plant  
8 transportation routes were under your responsibility,  
9 is that correct?

10          A     Inter-area transportation routes.

11          Q     Okay. Are all the inter-area transportation  
12 routes within your responsibility?

13          A     For the most part. Some of them still are  
14 with the field. We have a financial coding adjustment  
15 that we're going through because I'm going through  
16 this process and finding that we have some accounting  
17 issues with how we have identified the routes, but for  
18 the most part, all the inter-area I'm responsible for  
19 and all the inter-in D.C., what we operate between our  
20 network distribution centers, which is a separate --

21          Q     Is there any rhyme or reason to the ones  
22 that are not within your area of responsibility?

23          A     No, it's just a local issue that the  
24 financial budget account numbering system was wrong,  
25 so it did not push it under my finance number. So I

1 still look at them, I still rule over them to give  
2 people insight, but it's just not sitting in my budget  
3 at this point.

4 Q Okay. And are there other HCR routes that  
5 are outside that inter-area plant-to-plant  
6 transportation category?

7 A No. We have inter-area and we have the  
8 inter-PVC routes that is part of the local network,  
9 and we have the inter-cluster transportation, and it  
10 just gets into a lot of details that from a finance  
11 standpoint I'm not a finance expert. I don't know why  
12 those routes are categorized that way, but it's for  
13 the purposes of -- how we understand what trips are  
14 appropriated to what finance group I can't go into.

15 Q I'm just trying to get an understanding of  
16 what was included in your analysis and what was not  
17 included in your analysis. And your analysis, it  
18 looked at the number of trips eliminated, correct?

19 A Yes. We looked at all trips and the number  
20 of trips that we could eliminate.

21 Q Okay. So these percent reduction numbers  
22 that are in the last column and are summed at the  
23 bottom, those don't reflect the operating miles of the  
24 trips, just the number of trips?

25 A Just the number of trips.

1           Q     I'd like to turn to the next page and the  
2 next page begins the second I believe -- I'm sorry,  
3 I'm not sure on the number, but a separate spreadsheet  
4 within Library Reference 11, and this is a larger  
5 spreadsheet that is titled Plant-to-Plant Trips, and I  
6 believe it contains the approximately 1,700 trips that  
7 you reviewed as part of your analysis, is that  
8 correct?

9           A     That's correct.

10          Q     Okay. The last column in this contains  
11 utilization numbers for each trip?

12          A     Yes.

13          Q     In layman's terms, is that about how full  
14 the truck is?

15          A     That's correct.

16          Q     So I had a question about how these are  
17 calculated and let's just take the first trip on the  
18 spreadsheet for ease of reference, which is Trip No.  
19 601. It says it originates in Nashua, New Hampshire,  
20 stops in Springfield, Mass., and goes on to  
21 Pittsburgh, Pennsylvania, for a total mileage of 626  
22 miles. If, for instance, the truck were 70 percent  
23 filled between Nashua and Springfield and then 80  
24 percent filled between Springfield and Pittsburgh, how  
25 would the utilization for that truck be reflected in

1 that final column?

2 A Eighty percent.

3 Q Eighty percent. So you take the high number  
4 for any portion of the trip?

5 A Yes. We look at the entire route, all stops  
6 inclusive of the trip, and we measure the capacity,  
7 the fullness of the truck when it arrives at the  
8 destination, all stops along. So, at the end of the  
9 day when we take the utilization, we look at how full  
10 the truck operated from the start, intermediate stop,  
11 and how much was on it when it arrived. That's how  
12 utilization is calculated.

13 Q I thought I understood you and then I lost  
14 you. Let's try a different hypothetical.

15 A Okay.

16 Q Say it were 10 percent filled between Nashua  
17 and Springfield and 90 percent filled between  
18 Springfield and Pittsburgh. How would you reflect the  
19 utilization?

20 A The utilization would be scored on average  
21 what it carried, which would be a calculation that the  
22 system would show it was 90 percent.

23 Q Okay. And if it were only 10 percent filled  
24 when it showed up in Pittsburgh?

25 A Then it would be 10 percent.

1 Q Okay. Even if it were let's say 90 percent  
2 filled between Nashua and Springfield?

3 A I measure between origin/destination and not  
4 the stops in between. So it's what the origin put on  
5 and what was the volumes that arrived at destination.  
6 The stops in between could be used for an origin to go  
7 to an intermediate point with 100 percent of the  
8 truck, it's offloaded, and then that intermediate  
9 point could put 100 percent and it can keep going.

10 So the utilization composite is over the  
11 whole course of the trip, and it's not -- I mean, we  
12 can look down at the trip level, but we just look  
13 at -- I mean, at the stop level, but we just look at  
14 the total utilization for the entire trip.

15 Q I understand what you're saying about the  
16 whole utilization for the entire trip, but I'm having  
17 trouble understanding -- correct me if I'm wrong, but  
18 I'm assuming that when this truck stops in Springfield  
19 it drops mail off and it picks mail up, correct?

20 A Yes.

21 Q Okay. So the utilization of the truck is  
22 going to change at each stop, and I heard you say at  
23 one point that the utilization number is a composite,  
24 which would suggest to me that it's some sort of an  
25 average, but then I heard you say something different,

1 so I'm sorry, but maybe we could take another stab at  
2 clarifying that.

3 A Okay. When the trip departs at an origin  
4 and if they put 75 or let's say it's 100 percent, nice  
5 round numbers because I don't do math very well. Then  
6 it goes to the next point, and this is a particular  
7 example using Springfield. If 25 percent of the mail  
8 is offloaded because the origin, Nashua, wanted to get  
9 to Springfield, and they took off the 25 percent, the  
10 only opportunity that Springfield has to fill out the  
11 truck is to put 25 percent on the truck, and then the  
12 truck will continue its journey to the end of the line  
13 at the outer terminal, which would be Pittsburgh in  
14 this example, and that would be the calculation over  
15 the course of the trip, how full the trip was. So  
16 it's origin/destination.

17 The stops in between, if I want to look just  
18 at the Nashua/Springfield leg, I would just look at  
19 the Nashua/Springfield leg to determine how much  
20 volume they needed to go to the intermediate point,  
21 but I'm looking at utilization across the entire trip.

22 Q Okay. So let me try this. I'm going to use  
23 ridiculously low numbers just to make this very easy,  
24 but say a truck takes 100 containers and when the  
25 truck arrives in Pittsburgh it has 60 containers on

1 it. You call it 60 percent utilized? Is that how  
2 it's done?

3 A If it didn't stop in between or if it  
4 stopped in between?

5 Q Well, I thought you said you don't figure in  
6 the stops.

7 A It will be 60 percent. It will be 60  
8 percent. You're right.

9 Q Okay.

10 CHAIRMAN GOLDWAY: So you wouldn't count the  
11 stops in between?

12 THE WITNESS: Not in this particular  
13 spreadsheet, I did not.

14 CHAIRMAN GOLDWAY: Okay.

15 BY MS. KELLER:

16 Q So it could be that it was 100 percent  
17 filled between Nashua and Springfield, but that  
18 wouldn't be reflected in those numbers.

19 A That's correct.

20 Q Okay. Okay. Thank you.

21 When you did this analysis contained in  
22 Library Reference 11, you were working on the  
23 assumption that all the facilities announced for study  
24 on September 15 would be closed, is that correct?

25 A When I created this spreadsheet, I was just

1 looking at the transportation utilization and  
2 understanding what the opportunity would be for  
3 reducing underutilized capacity in the network and  
4 based on the consolidated consolidations where we  
5 would no longer need to have trucks between those  
6 points, yes.

7 Q Okay. So you were determining which trips  
8 could potentially be eliminated based on the notion  
9 that with the consolidation certain facilities would  
10 be closed and would not require those trips, correct?

11 A Correct.

12 Q Okay. Now can you tell me if it's  
13 determined that a facility is going to lose its  
14 originating mail processing but not its destinating  
15 mail processing, how would that affect the trips  
16 associated with the facility? Would the trucks still  
17 need to run through that facility if it's got one of  
18 the two functions remaining?

19 A No. We would have to reconfigure the  
20 transportation route. I mean, we would have to  
21 deliver back to that point, but there would be no  
22 originating mail. It's not to say that we would have  
23 to have the departure point from a point where they  
24 would have no volume for it. But if it's easier from  
25 an operational standpoint, we could have trips moved

1 to the next point to pick up, so it all depends on how  
2 we look at the opportunity. But scheduling is  
3 basically how we look at what is the most optimal way  
4 to figure out where the trips should department from,  
5 and originating AMP does alter the scheduling of the  
6 transportation.

7 Q Okay. Flipping to the last page in this  
8 packet that I've handed you, it's another spreadsheet  
9 from Library Reference 11, and it is the plant-to-post  
10 office operating miles reduction spreadsheet. In your  
11 testimony, you estimated a 13.68 reduction in plant-  
12 to-post office operating miles, is that right?

13 A Yes.

14 Q And that was based on your review of 14 area  
15 mail processing studies that were reviewed by your  
16 office, correct?

17 A That's correct.

18 Q And you've previously responded in  
19 interrogatories that those were just the first 14 that  
20 your office received, correct?

21 A At this particular time, yes.

22 Q Okay. And this page that we're all looking  
23 at is the list of those 14 facilities, correct?

24 A Yes.

25 Q Is it fair to say that a number of these

1 facilities are on the small side in the scope of  
2 what's being looked at with the consolidations?

3 A Yes.

4 Q Okay. You also filed as a library reference  
5 the relevant sheets from the AMPs of these 14  
6 facilities that you looked at. I'd like to take a  
7 brief look at one of them with you and see if you can  
8 help me out with finding the right reference numbers  
9 here.

10 MS. KELLER: If I may approach?

11 CHAIRMAN GOLDWAY: Yes, you may.

12 THE WITNESS: Thank you.

13 BY MS. KELLER:

14 Q This is the Grand Island P&DF consolidation  
15 into Omaha P&DC, and it just happened to be the first  
16 one listed on your list.

17 Now, on this spreadsheet associated with  
18 Library Reference 11, you have a number of numbers  
19 associated with this AMP: the current annual miles,  
20 the proposed annual miles, the difference and the  
21 calculated percent impact. Can you show me in here  
22 where you took the current annual miles and the  
23 proposed annual miles?

24 A The current annual miles is from Column 2,  
25 and the proposed annual miles would be from Column 5.

1 For the losing site and for the gaining site, the  
2 current annual miles is Column 9, and the proposed  
3 annual miles would be Column 12.

4 Q I'm sorry, what page are we on?

5 A The HCR worksheet, highway contract.

6 Q HCR worksheet.

7 A On the top, it says "PVS transportation",  
8 which is not relevant to the HCR.

9 CHAIRMAN GOLDWAY: Proposed annual miles is  
10 blocked out here.

11 THE WITNESS: They redact it.

12 BY MS. KELLER:

13 Q Okay. So, given that this is redacted, can  
14 you tell me -- the proposed annual miles would be, if  
15 we're looking at page 2 of this AMP excerpt, is that  
16 the right page to look at?

17 A Page 2.

18 Q Page 2, okay, and we're looking at -- well,  
19 first, Column 2 has the current annual miles and  
20 there's no sum of that, is that correct?

21 A No, they do not sum the total miles on these  
22 worksheets.

23 Q Okay. So you summed it yourself and got  
24 this 1,280,415, is that correct?

25 A It's Column 2 and Column 9 for current

1 miles. We add them together.

2 Q Okay. Okay. And the proposed annual miles,  
3 that would be the redacted Column 5 added to the  
4 redacted Column 12, correct?

5 A That's correct.

6 Q Okay. Thank you.

7 A You're welcome.

8 Q Now I believe you responded in one of the  
9 interrogatories that this 13.68 percentage was a  
10 simple average of the average estimated plant-to-plant  
11 office mileage reductions for each of these 14, is  
12 that correct?

13 A That's correct.

14 Q Now I did a little bit of my own math here  
15 and summed up the current annual miles column from  
16 this spreadsheet and the proposed annual miles column  
17 from this spreadsheet, found the difference and the  
18 percentage impact. Would it surprise you that the  
19 number I came up with was only a 7 percent reduction?

20 A Yes, it would surprise me.

21 Q Okay. What you did is you took these  
22 percentages in the last column, correct, and you  
23 averaged those percentages, correct?

24 A To get to 13.68.

25 Q And you did that even though the Campton,

1 Kentucky to Louisville consolidation, which has a  
2 relatively small number of miles associated with it,  
3 correct?

4 A Yes.

5 Q But it has a 54 percent impact, correct?

6 A Yes.

7 Q So that is going to blow your -- increase  
8 your average quite a bit, isn't it, to have that 54  
9 percent for a small facility, correct?

10 A If the math works out that way, then that's  
11 correct. I don't know.

12 Q Okay. Wouldn't you think it would be a  
13 better way to calculate to look at all of the annual  
14 miles, the proposed annual miles, and look at the  
15 difference there instead of averaging the difference  
16 of differently sized facilities?

17 A The current versus the proposed miles and  
18 the difference is what we're really focusing on. We  
19 did look at a percent impact, and we did offer that as  
20 the percentage overall for the costing piece, but I  
21 understand what you're saying to me, and yes, the  
22 smaller facility would be a broad outlier because it  
23 is very tiny and I just did it the way I did it. I  
24 mean, it's calculated the way it's calculated.

25 MS. KELLER: Thank you. Madam Chair, I'm at

1 a natural stopping point and it happens to be exactly  
2 12:30.

3 CHAIRMAN GOLDWAY: Excellent. Thank you.  
4 We will reconvene at 1:30.

5 (Whereupon, at 12:31 p.m., the hearing in  
6 the above-entitled matter was recessed, to reconvene  
7 at 1:30 p.m. this same day, Thursday, March 22, 2012.)

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1 that we get that's been submitted for our review on  
2 the transportation component.

3 Q Okay. And then after you've looked at that,  
4 do you then make a recommendation to someone?

5 A Yes. Basically what we have is a process  
6 that we go through to analyze obviously what's  
7 recorded in the proposal under the executive summary  
8 and we get into the details of these worksheets and  
9 the schedules that are supposed to accompany these  
10 worksheets, and we look at ways in which the proposal  
11 allows for or supports what the plan is or the  
12 proposal is for.

13 And once we go through the determination and  
14 we do our vetting process, there might be  
15 circumstances where we will have to have a dialogue  
16 with the field to kind of correct or if we see some  
17 things that were missed opportunities. And we do  
18 provide very strong recommendations back to the field  
19 offices or the submitting office, or we will go  
20 forward with the recommendation if we need to notify  
21 it up the chain if it's something that's kind of  
22 concerning to us and then we would have other people  
23 get involved to try to intervene or adjust the package  
24 to make it more favorable.

25 Q Okay. And reporting it up the chain, would

1 that be to Mr. Williams or to your supervisor?

2 A Well, we give a response back to Witness  
3 Neri's office, who are the people that distribute the  
4 AMP proposals for stakeholder review.

5 Q Okay. Thank you.

6 CHAIRMAN GOLDWAY: Can I just follow up on  
7 that? When you review the AMPs for transportation  
8 issues, do you have an independent database of  
9 transportation information from which you can compare  
10 the calculations that are given to you by the AMP in  
11 the field?

12 THE WITNESS: Yes, we do have a  
13 transportation database that we can really see the  
14 current, what has been submitted as the current  
15 transportation. The proposed is a schedule that is  
16 generated by the field or the area office that says  
17 this is what we propose to do in the future. But we  
18 can validate the current operating miles or the  
19 current costs to ensure that it is exactly what is in  
20 the package.

21 CHAIRMAN GOLDWAY: But you don't have an  
22 operation where you go through and calculate the time  
23 and distance of what they're proposing?

24 THE WITNESS: We look at the submission of  
25 the proposal and we do do a comparison between the

1 current state and what the future state will be.

2 CHAIRMAN GOLDWAY: But you don't verify the  
3 future state.

4 THE WITNESS: We verify it up to a point.  
5 We look at very specific things. We look to see if  
6 the submission has the critical elements that it needs  
7 to have in the future schedule, you know, meeting  
8 certain things, critical entry time, clearance time,  
9 if they've taken into consideration opportunities to  
10 reconfigure the route.

11 CHAIRMAN GOLDWAY: But you don't double-  
12 check the actual time and distance that they are  
13 submitting.

14 THE WITNESS: No.

15 CHAIRMAN GOLDWAY: Okay. Thank you.

16 BY MS. KELLER:

17 Q I'd like to take a look at one of these AMP  
18 studies with you just briefly to get a clearer idea of  
19 what's involved.

20 MS. KELLER: If I may approach?

21 CHAIRMAN GOLDWAY: Yes.

22 BY MS. KELLER:

23 Q I just handed you a copy of the Tucson-into-  
24 Phoenix AMP. I believe that counsel for Postal  
25 Service and the Commissioners already have copies of

1 that as it's something I used earlier today with  
2 another witness. I've selected this one to go over  
3 with you in part because it is a facility that has  
4 been identified as one where the mail processing  
5 facilities will be closed, but it will be used as a  
6 hub for certain ZIP codes within the southern part of  
7 the state. It seemed to be a fairly simple example of  
8 that, so I thought it might be an easy one for us to  
9 look at and for me to ask you a couple questions  
10 about. If we look at --

11 MR. CONNOLLY: Madam Chairman, can I make a  
12 request of counsel?

13 CHAIRMAN GOLDWAY: Mr. Connolly, identify  
14 yourself.

15 MR. CONNOLLY: I'm sorry. This is Matthew  
16 Connolly for the Postal Service. I'd like to make a  
17 quick request because it doesn't seem like we have  
18 that particular AMP. It might have been provided to  
19 another witness earlier in the day, and we don't seem  
20 to have it. So, if I could have a copy, I would  
21 really appreciate it.

22 CHAIRMAN GOLDWAY: Yes.

23 MR. CONNOLLY: Thank you.

24 CHAIRMAN GOLDWAY: I think all of the  
25 Commissioners still have ours up on the desk, so we're

1 fine.

2 MR. CONNOLLY: Thank you.

3 BY MS. KELLER:

4 Q Okay. If we turn to page 5 of this  
5 document, which is part of the summary narrative, and  
6 I'm looking at the portion with the subheader DPS and  
7 that appears to summarize what the changes to the  
8 transportation routes would be. Am I reading that  
9 correctly?

10 A Yes.

11 Q Now it lists one, two, three, four, five,  
12 six routes that will be removed, is that right,  
13 starting with Contract 75115 and running through  
14 Contract 856AA?

15 A These contracts wouldn't be removed. It  
16 appears to me that the contracts, if you look at  
17 Contract 75115, Dallas to Los Angeles, it's  
18 recommending a reduction of \$7,145. That is not an  
19 elimination of this contract.

20 Q Okay. So let's take that contract as an  
21 example. That's a contract, that route runs Dallas, I  
22 assume it stops in Tucson, and then terminates in  
23 L.A., correct?

24 A Without looking at the schedule, it makes  
25 several stops, I'm assuming, going to Los Angeles.

1 Tucson could be one of those stops, yes.

2 Q Okay. And the savings of \$7,145, how would  
3 that be generated?

4 A By the elimination of the stop at Tucson if  
5 that's what this is recommending.

6 Q Okay. So the trucks will still go Dallas to  
7 L.A. with certain stops in between? It just won't  
8 stop in Tucson anymore?

9 A That's correct.

10 Q Now, looking at the bottom one, Contract  
11 856AA, and it says, "Terminee, Tucson City Stations."  
12 Is that a contract that services stations within the  
13 City of Tucson?

14 A It appears to be, yes, based on how it's  
15 identified as the terminnee.

16 Q Okay. And doesn't the mail still need to  
17 get to the stations within the City of Tucson?

18 A Yes, it would.

19 Q And how would it do that with the  
20 elimination of this contract?

21 A I'm not sure. If they're proposing a hub  
22 solution, then I'm not sure without looking at or  
23 being able to analyze and look at what the proposed  
24 schedule was. And I'd need to look at this  
25 holistically and not pieces of what the proposal is

1 saying. I mean, the one contract that they're listing  
2 here of \$146,842, it could be several trips, it could  
3 be a whole route. I can't tell from looking at it in  
4 this regard.

5 CHAIRMAN GOLDWAY: How would you verify that  
6 if you were doing this in the office?

7 THE WITNESS: I would look at the proposed  
8 schedule. They're supposed to submit a proposed  
9 schedule. And if there was additional information  
10 that needed to be clarified, then we would have  
11 further dialogue with the area office to understand  
12 the narrative and what was written here.

13 BY MS. KELLER:

14 Q Is that proposed schedule -- I'm sorry,  
15 Madam Chair.

16 CHAIRMAN GOLDWAY: No, no, go ahead. I just  
17 wanted to ask if it was here in this packet.

18 MS. KELLER: That was exactly my question.

19 BY MS. KELLER:

20 Q Is that proposed schedule part of the AMP  
21 package?

22 A The proposed schedules are supposed to be  
23 submitted with the AMP packages. I have not looked at  
24 this one particularly, so I don't remember it.

25 Q Okay. If you could take just a minute and

1 just flip through it and see if it is in fact  
2 proposed.

3 A No, it's not included in -- it wouldn't be  
4 included in this. I don't see proposed schedules in  
5 here, no.

6 Q So it's a separate document that you get  
7 along with the AMP package?

8 A Yes.

9 Q Is it an Excel spreadsheet, or in what  
10 format is it?

11 A It could be Excel, it could be a Word  
12 document. It could be whatever way the area or the  
13 submitting office chose to provide the proposed  
14 schedule.

15 Q And you received those routes for every one  
16 of the consolidations under review?

17 A It's part of our handbook, yes.

18 Q Okay. Are there additional documents other  
19 than the AMP and that listing of proposed routes? Is  
20 there anything else that you received?

21 A No. Sometimes what we will get is, based on  
22 us asking for clarification, we would get a response,  
23 like an email response. Or we'll have a  
24 teleconference call and we'll jot some notes down to  
25 understand whether or not what was stated is in fact

1 the logic that we're applying when we're evaluating  
2 the proposals.

3 Q Am I correct that those proposed routes that  
4 you reviewed have not yet been submitted or filed in  
5 this case? Is that correct?

6 A They haven't been yet, no.

7 Q Would you be able to file those?

8 A The proposed routes, it's going to be part  
9 of the new transportation plan when it's finalized in  
10 mid-April.

11 Q Is it your intention to then file that with  
12 this Commission for review in this docket?

13 A It would be part of the update to the  
14 Library Reference so that you can see clearly those  
15 proposals, the routes that would be part of the AMPs.

16 Q Now I notice, still looking at this section  
17 entitled DPS, it says, "To support the AMP, additional  
18 transportation between gaining and losing facility  
19 will be added to HCR-85610 at a cost of", I'm sorry,  
20 let me read that again, "441,774, and 751NE at a cost  
21 of \$24,676." And it says "HQ-funded contract." Then  
22 that appears to be at a total cost of \$466,450. Sorry  
23 I'm stumbling over these numbers. It looks to me that  
24 these are the only additional costs for transportation  
25 that are allocated due to the consolidation of Tucson

1 into Phoenix, is that correct?

2 A I'm not sure if this is the only cost that's  
3 been allocated. But based on these two routes, what  
4 the narratives have stated, it just looks like these  
5 two routes, which are part of the headquarters, which  
6 is my funded contracts, that there would be a cost  
7 added of \$466,450.

8 Q Okay. And it says that that's  
9 transportation between the gaining and losing  
10 facility, so between Phoenix and Tucson. And that's  
11 presumably to move this mail that used to be processed  
12 in Tucson, to move it up to Phoenix to be processed,  
13 correct?

14 A Yes, I would assume.

15 Q I don't see any place that you've added  
16 extra costs for moving this additional mail out of  
17 Phoenix. So this 225,000 volume daily that used to be  
18 processed in Tucson and it's now going to be processed  
19 in Phoenix, is there anywhere that you have added  
20 additional costs for moving that additional volume of  
21 mail out of Phoenix into all the places that it needs  
22 to go?

23 A I can't tell looking at the narrative. I  
24 don't have all the information to answer that  
25 question.

1 Q Okay. Is there any place else in this AMP  
2 study that you could answer that?

3 A No, because the worksheet lists just the  
4 routes and it doesn't give me all the information that  
5 I would need to answer your question.

6 Q Okay. But at least for the savings that are  
7 calculated, the estimated or anticipated savings that  
8 are calculated in this particular AMP study, that's  
9 based just on the addition of these two additional  
10 routes between Tucson and Phoenix, correct?

11 A Can you repeat what you asked me again?  
12 Because I'm trying to look at the other transportation  
13 changes that have been identified in the packet.

14 Q Let me rephrase it. I think I can hopefully  
15 be more clear. This AMP calculates certain  
16 anticipated savings in transportation, correct?

17 A And costs.

18 Q And costs. And you've indicated that  
19 there's certain additional information about planned  
20 routes that are not contained here in this AMP,  
21 correct?

22 A You don't have the actual and the proposed  
23 schedules to look at the schedules, no.

24 Q But the savings that are calculated in this  
25 AMP are based upon this information here about what

1 the anticipated additions and removals from the HCR  
2 routes, correct?

3 A It is a summary, yes.

4 Q Okay. Now this section deals with the HCR  
5 routes. Is there any place in this AMP that they deal  
6 with the costs of getting the mail out to the various  
7 post offices in Tucson and out to the delivery?

8 A I would venture to say that maybe one of the  
9 routes that is listed in here is going to provide that  
10 function, but again, I can't see it.

11 MS. KELLER: Okay. Thank you very much.  
12 That's all I have for you.

13 THE WITNESS: Okay.

14 CHAIRMAN GOLDWAY: Thank you. I believe the  
15 Public Representative is next.

16 MR. LAVER: Yes. Thank you, Madam Chairman.  
17 Christopher Laver on behalf of the Public  
18 Representative.

19 CROSS-EXAMINATION

20 BY MR. LAVER:

21 Q Good afternoon, Ms. Martin, and welcome.

22 A Good afternoon to you.

23 Q Thank you for being here with us today. I  
24 have a few questions for you. And first, I'm not  
25 going to refer you to a specific part of your  
26 testimony, but overall, do you think it is fair to say

1 that you analyzed two aspects of the transportation  
2 network? And by aspects, I mean types of trips. So  
3 you looked at plant-to-plant trips and then you looked  
4 at plant-to-post-office trips?

5 A That's correct.

6 Q Okay. Now, in the current processing  
7 environment, are there trips for originating mail that  
8 go from the post office to the plant?

9 A Yes.

10 Q Are those part of your administrative  
11 responsibility?

12 A From the post office to the plant, no.

13 Q Okay. Would you agree that they could be  
14 impacted, those sort of trips could be impacted by the  
15 present proposed changes?

16 A Sure they are.

17 Q Are you aware of any witness or any  
18 testimony that describes what those potential changes  
19 and what the cost effect of those changes could be?

20 A No.

21 Q Okay. Now I'm going to refer specifically  
22 to page 12 of your testimony.

23 A Okay, sorry about that.

24 Q That's okay. On page 12 you talk about the  
25 expanded DPS window and how it allows for a  
26 significant amount of mail to be transported earlier

1 in the day. This is to the plants, from the post  
2 offices to the plants? Is that accurate?

3 A It's, yes, the DPS window starts at noon.  
4 We would have volume available at the plant earlier to  
5 transport to the post office. And when we reverse the  
6 collections of the mail, we will bring the mail back  
7 to the plant.

8 Q So you conclude that this allows an  
9 opportunity to combine trips and increase the  
10 efficiency of your transportation network moving from  
11 the plant to the post office, is that correct?

12 A That's correct.

13 Q Now did you also consider post office trips  
14 to the plant when you were estimating these savings?  
15 You know, it's kind of similar to the question I asked  
16 earlier, but I just wanted to make sure it's clear.

17 A Post office savings to the plant, post  
18 office trips to the plant?

19 Q Trips to the plant.

20 A That's kind of in the AMP analysis, which  
21 would be those lists of AMP studies. And  
22 predominantly, in the AMP studies, you do have a lot  
23 more post office-to-plant routes.

24 Q So you're saying the AMP studies would be a  
25 source of additional both cost or savings effects of  
26 consolidation.

1 A That's correct.

2 Q That would be beyond the scope of your  
3 testimony and beyond the scope of what's here, is that  
4 correct?

5 A That's correct.

6 Q And again, this may be repeating myself a  
7 little bit, but is it accurate to say that when you  
8 close or consolidate plants that you will now have a  
9 greater average distance, all other things being  
10 equal, between these post offices that are collecting  
11 outgoing mail and then sending that to the plants?

12 A Yes, that would be fair to say.

13 Q And is it fair to say that that increased  
14 distance will also be an increased cost?

15 A If you're running more miles, it would  
16 increase costs, yes.

17 Q Sometimes these are intuitive, but I don't  
18 want to make a compound question --

19 A No, that's fine.

20 Q -- and make it too loaded here. Now, in  
21 your experience and in your expertise as the  
22 transportation manager, is it generally the same  
23 actual physical trucks that are making the delivery of  
24 mail from the post offices to the plant and then  
25 taking the mail back from the plant to the post  
26 offices?

1           A     Yes, generally it is.

2           Q     And now, in the current processing  
3 environment, which is prior to the changes, is it  
4 accurate to say that most of the post office-to-plant  
5 trips occur in the evening? So this is for outgoing  
6 mail, mail that's been collected and brought back to a  
7 DDU before it goes and it's being transported from the  
8 DDU to the processing plant. Would most of those  
9 trips happen in the afternoon or evening?

10          A     Because we schedule like on a round-trip  
11 basis, yes. I mean, you know, it's not one way or the  
12 other. It would be whatever we schedule, which is  
13 going out, you know, with nothing to pick up the  
14 collection volume that would come back. I would count  
15 it as a trip because it's part of the schedule. So I  
16 can't say it's more, you have more trips coming from  
17 the post office to the plant because we have the same  
18 amount of trips basically going from the plant to the  
19 post office in the morning with DPS.

20          Q     I might have tripped over myself and not  
21 been very clear.

22          A     That's fine.

23          Q     What I'm asking is, are most of the trips  
24 that occur -- not a number, but just are the majority  
25 of the trips that occur between the DDU, heading from  
26 the DDU to the plant, are most of those in the

1 afternoon or evening hours of the day?

2 A I don't know.

3 Q And now with the current DPS window, which  
4 is shorter than what it will be in the proposed  
5 network, in the current DPS window, would the trucks  
6 normally sit overnight at the plant and wait to be --  
7 since you testified that it was the same trucks that  
8 would deliver it back, would they sit at the plant and  
9 wait to pick mail up to take it back to the DDU in the  
10 morning?

11 A No. The trip is ended. It goes out and it  
12 drops off. If there's nothing to come back, it  
13 usually returns empty and the trip is ended at that  
14 point.

15 Q Okay. And now, if you could agree with me  
16 subject to check that Witness Neri indicates in his  
17 testimony that the FSS operation in this new  
18 environment will start at midnight and end at 6 a.m.?  
19 Could you agree with me subject to check that that  
20 sounds reasonably like his testimony?

21 A Yes, subject to check, yes, I can agree.

22 Q Now, given that the DPS window will not  
23 exactly line up with this FSS, will you be planning  
24 separate transportation or separate trips to account  
25 for flat-shaped mail as opposed to letter-shaped mail?

26 A We're going through that rationalization

1 right now to figure out how not to do that because  
2 that defeats the whole purpose of what we're trying to  
3 do, which is increase the efficiency of the  
4 transportation network.

5 Q So does that mean, and let me just try to  
6 get this straight, does that mean that either the  
7 window could change, the DPS window or the flat-  
8 sequencing window, or does that mean that more likely  
9 your transportation will change?

10 A I would lean strongly that the  
11 transportation would have to change to adjust to a  
12 window that has already been determined by the  
13 processing operations group. And I don't think there  
14 would be any leverage on my part to change the  
15 processing operations window.

16 Q I understand. I appreciate that. I  
17 appreciate that. So I'm going to turn to your  
18 response to NPMHU/USPS-T6-19.

19 A I can't find it. NPMHU T6-19?

20 Q Correct.

21 A Okay.

22 Q Now, in your response there, and I'd like  
23 you to agree that I'm paraphrasing a little bit, that  
24 October represents a normal value month that excludes  
25 low-volume periods and high-volume periods? This is  
26 in response to subpart E as in Edward.

1           A     Generally that's what we do use, that period  
2 of time.

3           Q     Now have you compared this October data that  
4 you gathered with October data from previous years to  
5 see if it was in the ballpark so to speak?

6           A     No, I did not.

7           Q     And in the two interrogatories prior, so in  
8 your response to T6-17 from the same Intervenor, you  
9 say that you used a 14-consecutive-day period in April  
10 as another normal volume period?

11          A     Yes.

12          Q     And you can probably see the question. Have  
13 you compared that April volume period with other  
14 Aprils to see if it was in the ballpark?

15          A     No, I did not go back. No.

16          Q     Now I'm sorry to jump back and forth here,  
17 and this is the last time I'll jump back to 19, but  
18 back to 19 again. In your response you say that for  
19 65 routes you have no data for capacity utilization.  
20 Among possible reasons for having no data, you say  
21 that the trip may operate on a holiday and there was  
22 no holiday during the collection period.

23                   Do you think it's possible that having a  
24 wider window than a 14-day data collection period  
25 might have avoided these sort of data problems?

26          A     No, I don't. You know, we have 10 holidays

1 that we operate, so it would just be a matter of  
2 looking at those 10 holidays and looking to see what  
3 the utilization capacity was. But generally it is  
4 low.

5 Q So let me get this straight. In your  
6 response to 19 then, does it mean that that is the  
7 most likely answer is that it was a holiday?

8 A Yes, based on the period that I've observed.  
9 In October, the first two weeks, there was no holiday.  
10 The holiday probably occurred after the week ended or  
11 the two weeks, the two-week period ended.

12 Q And now, in the same question, you explain  
13 why certain routes have an average utilization of -- a  
14 capacity utilization of zero percent when there is no  
15 volume available for transport, and again, this is  
16 subpart C as in Charlie.

17 A I see it.

18 Q And you provide an example where a trip may  
19 depart with 100 percent utilization going in one  
20 direction but then, as we'd been talking about  
21 earlier, return with no volume?

22 A That's correct.

23 Q Is this example typical?

24 A I wouldn't say it's typical, but we do have  
25 many trips that operate in that fashion.

26 Q Do you think it's likely that this same

1 operation or this same, pardon me for using the word  
2 typical, but nothing else comes to mind right now,  
3 this same occurrence will happen again after  
4 rationalization?

5 A I'm not sure yet because I have not finished  
6 the analysis of putting the routes together.

7 Q Is it fair to say that the rationalization  
8 seeks to eliminate this sort of occurrence?

9 A The imbalances, yes.

10 Q And I'm going to go to your response to the  
11 Public Representative Interrogatory 4, which is  
12 PR/USPS-T6-4.

13 A Okay.

14 Q Specifically I'm going to refer you to  
15 subpart C as in Charlie again where you respond that  
16 the Postal Service has established a capacity  
17 utilization target of 70 percent.

18 A Yes.

19 Q Now, given that capacity utilization target  
20 and what's going on in the current transportation  
21 network, in your opinion, would it be possible to  
22 perform a rationalization of transportation without  
23 enlarging the DPS window and changing the service  
24 standards?

25 A I didn't understand the question.

26 Q So, in the current environment, if we

1 weren't here today discussing possible changes in the  
2 delivery standards and changing the Postal Service's  
3 whole network, in your capacity as a transportation  
4 manager at the Postal Service, do you believe it would  
5 be possible to rationalize or try to optimize your  
6 transportation network without having all the  
7 background that has to do with changing the service  
8 standards and changing the DPS window?

9 A No, the increasing efficiency of the network  
10 is going to be because we're going to be able to  
11 change the service standards and have more time to  
12 transport or fill up less frequently than we do today.

13 Q So it's your opinion that it is necessary to  
14 have the service standard change in order to, for  
15 example, try to eliminate those routes with less than  
16 25 percent capacity utilization?

17 A I would say yes.

18 Q And I have a few more questions here, and  
19 this one will be on your response to POIR Question 1.  
20 Or, I'm sorry, POIR No. 1, Question 11.

21 A Okay, I have it.

22 Q And there you confirm that the analysis of  
23 the plant-to-post office trips is based on 14 AMP  
24 studies analyzing routes from four areas?

25 A Yes.

26 Q Now I won't ask you to turn there, but I'll

1 ask you to accept that in your response to one of the  
2 Public Representative Interrogatories you provided a  
3 percentage of all routes in each area included in the  
4 study, and the percentage varied from 1 percent in the  
5 Eastern area to 21.5 percent in the Great Lakes area.  
6 Can you accept that subject to check?

7 A Yes, I can, subject to check.

8 Q Would you agree that these 14 studies  
9 included in your analysis represent a very small  
10 sample of all the plant-to-post office routes in the  
11 transportation network?

12 A Yes, I would.

13 Q Would the results of the analysis of the  
14 routes in these 14 studies provide enough information  
15 for making a judgment about the reduction in the  
16 overall network?

17 A No.

18 Q Would it be possible that inclusion of other  
19 AMP studies into the analysis would then decrease the  
20 average percent reduction in operating miles?

21 A It could.

22 Q Okay. If you'd give me one moment, I have a  
23 few to mark off that have already been asked and I  
24 think I can save a little bit of time.

25 My remaining questions are going to refer to  
26 other witness testimony, so I'll ask you again to

1 accept subject to check that my characterization of  
2 their testimony is correct.

3 A Okay.

4 Q Witness Rosenberg for purposes of the  
5 modeling exercise that she performed assumes that  
6 three-digit ZIP code workload could be transported up  
7 to 200 miles to be processed by a plant. Are you  
8 generally familiar with that?

9 A I think that's a benchmark I'm familiar  
10 with, yes.

11 Q Do you find this 200-mile assumption  
12 reasonable?

13 A Yes, it's pretty reasonable, yes.

14 Q Is that something that was developed with  
15 your office or with you personally?

16 A Not with me personally, no.

17 Q Okay. And Witness Williams when he was  
18 answering questions regarding hubs I'm sorry to say  
19 referred the questions to you.

20 A I did hear that.

21 Q But earlier when you were speaking with  
22 counsel, you indicated that you did not develop the  
23 hub concept?

24 A No.

25 Q That it wasn't somebody under your  
26 supervision?

1           A     No, it wasn't.

2           Q     Would it have been -- and you said your  
3 supervisor was Ms. Mallonee? Would she have developed  
4 the hub concept?

5           A     No, she wouldn't have.

6           Q     Do you know roughly what organization or  
7 what individual or division would be responsible?

8           A     No. I think this is a conceptional design,  
9 and it was done based on someone's preparation of the  
10 presentation. And I would need to know -- I didn't do  
11 it.

12          Q     I understand, I understand. I was just  
13 trying to see whether or not you might know who we  
14 could ask about it if you didn't do it. And so again  
15 I'll say that Witness Rosenberg in her testimony  
16 describes the scoring tool. Are you generally  
17 familiar with the scoring tool?

18          A     No, I'm not.

19          Q     Okay. The scoring tool, and again, if you  
20 can accept my representation subject to check,  
21 examined feasible operating windows for mail  
22 processing, and as part of the scoring tool, it  
23 allowed for all collection and delivery points over 66  
24 miles away to be consolidated at an intermediate  
25 location or a hub where the mail would be combined,  
26 loaded on fewer trucks and then dispatched to a

1 processing plant.

2 Do you agree -- and again, since you didn't  
3 do this hubbing presentation, it may be unfair to ask  
4 you, but do you agree that this 66-mile parameter for  
5 hubbing seems to be reasonable?

6 A As a potential, yes.

7 Q And I have one last question and then we can  
8 wrap it up. In your response to the mail handlers at  
9 NPMHU/USPS-T6-6, you confirm that with respect to new  
10 trips that the Postal Service would account for delays  
11 caused by traffic, is that correct?

12 A Yes, we do.

13 Q Do you base this analysis on current traffic  
14 conditions?

15 A Yes. And we also require people with local  
16 insight to let us know what their local conditions  
17 are.

18 Q Now do you also take into account say the  
19 Federal Highway Administration? They release reports  
20 and statistics and such. Do you take those into  
21 account as well?

22 A Yes, we do. For speed, for speed limits and  
23 what we can do. Now, you know, the speed limit is  
24 something that's subject to us understanding by state  
25 by state, but we use a mapping tool to understand what  
26 the road speed is that we could utilize in scheduling.

1           Q     Thank you.  And I apologize, I fibbed.  I  
2 missed a last page here with a question that I have.  
3 On page 8 of your testimony, you confirm that the  
4 opportunity to optimize transportation in the new  
5 network will involve some increase in volume.  And  
6 then in your response to the Public Representative  
7 Interrogatory T6-3, you stated that no calculations  
8 about an actual estimate of the increase in this  
9 volume were performed, is that correct?

10           A     Yes.  Not yet, no, it has not been  
11 performed.

12           Q     And as you say, it has not yet been  
13 performed.  My question is, do you expect that this  
14 analysis will be done?

15           A     Basically whatever the network is going to  
16 conform to, we understand what number of trips from a  
17 capacity requirement is, and basically our goal is to  
18 fill up the trucks as much as possible, better than  
19 what they are today.  So I don't have a proposed what  
20 utilization will be in the future calculation in mind,  
21 no.

22           Q     Is this something that will basically depend  
23 on how the mail is actually moving at the time, or is  
24 it something that once the AMP consolidations are  
25 finished will be able to be accomplished?

26           A     It's basically after the consolidation

1 occurs that we will be able to gain the efficiencies  
2 in filling up trucks.

3 Q So you would say after implementation, not  
4 just after the specific facilities and their volumes  
5 are selected.

6 A Yes, sir.

7 Q Okay. And now it is the very last question.  
8 You indicated the Postal Service does not create,  
9 design or map a comprehensive proposed transportation  
10 network that includes origin, destination, distance,  
11 annual frequency. This is in your response to NPMHU  
12 T6-1. However, as a general matter, are you aware of  
13 transportation models that are available for analyzing  
14 and modeling your entire network?

15 A Yes, I am aware of that type of application.

16 Q And that they can project traffic volume and  
17 analyze different changes and scenarios?

18 A Yes.

19 Q Is there a reason you elected not to use  
20 these modeling tools in looking at the new  
21 transportation network?

22 A They're not available to me. I don't have a  
23 tool.

24 Q So you're saying the Postal Service does not  
25 have these sort of tools available to it?

26 A That I'm aware of, to do what you've -- from

1 a design standpoint, modeling a network? No, we  
2 don't.

3 MR. LAVER: Okay. I have nothing further.  
4 Thank you very much for your responses and your  
5 presence today.

6 THE WITNESS: You're certainly welcome.

7 MR. LAVER: Thank you.

8 CHAIRMAN GOLDWAY: I've been informed that  
9 Tonda Rush from the National Newspapers Association  
10 wants to follow up on questions that were presented  
11 earlier today. She's here as an additional  
12 participant to ask questions.

13 MS. RUSH: Thank you, Madam Chairman.

14 CROSS-EXAMINATION

15 BY MS. RUSH:

16 Q Good afternoon. Ms. Martin, I'm Tonda Rush  
17 with National Newspaper Association. We had not  
18 requested an opportunity to engage in oral cross-  
19 examination, but your responses to a couple of things  
20 that you said to Mr. Anderson and now to Mr. Laver  
21 have given rise to just a couple of questions. And I  
22 assure you this will be brief.

23 I'm focusing mostly on the hub design and  
24 implementation and how it may look in the optimized  
25 network. Would it be fair to say that a hub as it  
26 operates today has two functions? One is to take mail

1 that comes from a long-haul truck, break it down into  
2 some short-haul trips so smaller trucks can go let's  
3 say from a hub to DDU entry points or destinations?  
4 Are they used that way?

5 A Yes, that's exactly how a hub would work.

6 Q So you take a big truck and break down into  
7 the deliveries for the destination post office and  
8 then that would be part of your short-haul network.

9 A Under the proposed scenario, yes. In our  
10 national network we break down a truck and it still  
11 goes greater distances than just the local post  
12 office. We go to the final destination, which is a  
13 plant.

14 Q Sure. But there may be short-haul  
15 destinations that that truck carries to the hub, and  
16 then some of that mail would be taken off the long-  
17 haul truck as the long-haul truck goes ahead. And  
18 then some of the mail that's taken off goes in short-  
19 haul trucks let's say to a post office. Is that today  
20 how it works?

21 A I'm not real familiar of all the hubs that  
22 might be, the more regional, local hubs in terms of  
23 their operating. But conceptually, that's how the hub  
24 concept works, yes, ma'am.

25 Q And then also the hub would be available to  
26 take some mail that's short haul to short haul. It

1 comes from a destination delivery, a destination entry  
2 point, doesn't need to go in the long haul to the  
3 plant but can go within let's say an SCF zone on a  
4 short-haul network.

5 A If there's time to do so, absolutely.

6 Q And all of that's operated under the  
7 supervision of your office, is that correct?

8 A No, it's not correct.

9 Q What office at the Postal Service would  
10 oversee those, both the design and the implementation  
11 of the short-haul networks?

12 A It would be more the local office. It might  
13 be area. It might be the local post office that the  
14 hub would be a satellite facility of. I have no idea  
15 how they would construct the organizational  
16 responsibility.

17 Q Would those costs appear on your budget  
18 then?

19 A No, they would not.

20 Q Or would they be at the area budget?

21 A That would be at the local site.

22 Q Okay. So, in the future optimized network,  
23 I believe I heard you say in response to one of Mr.  
24 Anderson's questions that as far as you know, there  
25 have been no decisions at this point about new hubs.

26 A Yes. I haven't been in discussions, I have

1 not had a chance to decide whether or not a hub is  
2 feasible at every point or location that was proposed  
3 in the UPS. It might be that it might be an effective  
4 solution, but it might be that we have some other  
5 things that we could offer for consideration for  
6 implementation. But there is feasibility with some of  
7 these hubs.

8 Q So I understand this is an iterative process  
9 and you do this as a part of a team.

10 A Yes.

11 Q But when the network operations has gone  
12 through an AMP analysis and said okay, we're going to  
13 close a facility, we might need hubs in some of these  
14 areas, then does that work come to your office to try  
15 to determine whether a hub is feasible, and if so, how  
16 it will be implemented?

17 A We talk to the local site to understand how  
18 they are suggesting the use of these hubs and how they  
19 would operate. And then we would look at the  
20 transportation pattern, my office, to understand  
21 whether or not the transportation activity to and from  
22 the hubs makes sense.

23 Q Makes sense in terms of optimizing the  
24 transportation?

25 A Yes, more economical, optimizing  
26 transportation, the times, ensuring that they're

1 meeting the service targets or the delivery times.  
2 That's kind of the analysis that we would go through  
3 in suggesting a hub.

4 Q But the decisions to set up a hub or not are  
5 driven primarily by the desire to maximize the  
6 transportation network? Try to increase the size of  
7 the volume in the loads in the trucks for example?

8 A In this particular proposed scenario, yes, I  
9 would say.

10 Q Okay. Would the choice to operate  
11 transportation aspects in and out of a hub, if an area  
12 recommends it, that analysis comes to your office.  
13 Does the decision whether that transportation will be  
14 a highway contract route or a vehicle service driver,  
15 is that your office's decision?

16 A It's not my ultimate decision, no, it isn't.  
17 The field will recognize what it is that they're going  
18 to operate in terms of the transportation. If there's  
19 postal vehicle service and that's going to be the  
20 remaining function for the hub in terms of the  
21 transportation activity, then it will remain as PVS.  
22 If it's highway contract because there is no postal  
23 vehicle operation, then it would be a highway contract  
24 scenario with adjustments.

25 Q Does the area make the recommendation to  
26 you, or do you make the recommendation to the area

1 about which mode you'll use?

2 A Oh, I don't make recommendations to the  
3 area. So the area does all of the legwork in terms of  
4 what the transportation mode would be, whether it be  
5 PVS or HCR or it could be a combination of both.

6 Q And is it at the area level that decision is  
7 made?

8 A Yes, ma'am.

9 Q So they make the choice about how this hub  
10 will be set up. They oversee it. If there's a  
11 contractor, they're the ones that engage in the  
12 contract?

13 A Yes, they're administratively responsible  
14 for overseeing the contracts.

15 Q And what aspects of those decisions flow  
16 then through your budget? Any aspects at all?

17 A Not from a local level, no.

18 Q So would only the long-distance  
19 transportation become part of your budget at that  
20 point?

21 A The long-distance transportation is part of  
22 my budget today.

23 Q So the short hauls are not then generally.

24 A Generally, no.

25 Q All right. I think I misunderstood the  
26 scope of your testimony then. I apologize.

1           A     Okay.

2           MS. RUSH:  Madam Chairman, I don't think I  
3     can pursue this any further.  I think we know what we  
4     can find out from this witness.

5           CHAIRMAN GOLDWAY:  Thank you.

6           MS. RUSH:  Thank you, Ms. Martin.

7           THE WITNESS:  Thank you.

8           CHAIRMAN GOLDWAY:  Any other cross-  
9     examination based on the discussions with this witness  
10    from our participants?

11          MS. KELLER:  Madam Chair, this is Kathleen  
12    Keller for the Mail Handlers Union.  I have a  
13    procedural point not in the nature of cross-  
14    examination but raised by the witness's testimony, and  
15    that is that she has indicated that she will be  
16    supplementing the record I believe she said sometime  
17    mid-April.

18                 I after looking at my calendar again have  
19    some concerns because the Intervenor's rebuttal  
20    witnesses are due April 23.  It seems to me that this  
21    is information, the information regarding the results  
22    of the AMP studies and how those affect her  
23    calculations and the transportation, future  
24    transportation network, those are questions that were  
25    asked months ago.  The Postal Service has had this  
26    information since at least February 23.  I'm troubled

1 by it not being available until the middle of April,  
2 and I'm wondering why it could not be made available  
3 more quickly.

4 CHAIRMAN GOLDWAY: I believe that I in my  
5 discussion with Dave Williams on Tuesday ended the  
6 conversation with him asking for all of this updated  
7 material and he said he has his homework assignment,  
8 but we did not get a date for reporting on it.

9 Could we get from counsel a response from  
10 Mr. Williams as of tomorrow as to when he expects to  
11 give us that information?

12 MR. TIDWELL: That is possible. I haven't  
13 been in touch with Mr. Williams since the hearing. I  
14 have no idea whether he's even still in the office. I  
15 will report back tomorrow with what information I can.

16 CHAIRMAN GOLDWAY: I would expect in our  
17 opening procedural activities that you would report  
18 back to us. I had asked Mr. Williams when do you  
19 think that information will be available, and he said  
20 I can take that as a homework assignment and provide a  
21 response. So perhaps we could get that from him or  
22 from you tomorrow morning.

23 MR. TIDWELL: That will be our objective. I  
24 will be here tomorrow.

25 CHAIRMAN GOLDWAY: And that question now  
26 seems to include to be clear the updates for the

1 testimony of the people who report to Mr. Williams in  
2 this process, the transportation and the facilities  
3 people, who both indicated that there were  
4 opportunities for updating.

5 MR. TIDWELL: Well, there are two things,  
6 Madam Chairman. There is the question of updating  
7 testimony and there is the question of providing  
8 additional information as it becomes available.

9 The witness's testimony was based on the  
10 state of knowledge in December, based on a network  
11 concept that was hypothetical until we had a clearer  
12 sense of it on February 23. Even still, there are  
13 nine or so AMPs still to be resolved.

14 We are now in the implementation and  
15 planning phase of this rationalization plan, and  
16 components of the organization who report to Mr.  
17 Williams, whether it's transportation, maintenance,  
18 network operations, are engaged in putting together  
19 project plans for review and implementation.

20 Mr. Williams I believe indicated that the  
21 initial draft of the project plans would be coming to  
22 headquarters for review at the end of this month and  
23 his office will then begin the process of reviewing  
24 those project plans. It's an iterative process that's  
25 going to result in some back-and-forth between his  
26 office and the field.

1                   CHAIRMAN GOLDWAY:  There's a difference  
2                   between project plans and updating the data from the  
3                   AMPs.  We only have 14, for instance, AMPs here that  
4                   were reviewed.  And I think we had this discussion  
5                   with Mr. Williams, and I believe there was some  
6                   understanding about the difference between updating  
7                   the data and providing the final review that you have,  
8                   which of course we'd like to see as well.  So could we  
9                   get the information that we're asking for tomorrow  
10                  morning as to when that could be provided?

11                  MR. TIDWELL:  Yes, Madam Chairman.  I was  
12                  going to add that I know Ms. Martin has testified that  
13                  she expects to be in a position in mid-April to  
14                  provide updated information on transportation.  And we  
15                  will endeavor --

16                  CHAIRMAN GOLDWAY:  You can inform Mr.  
17                  Williams that we're concerned about having the  
18                  information, not the final report, which he says he's  
19                  going to be looking at and may have available in mid-  
20                  April, much sooner than that.  See what we can get  
21                  from him tomorrow morning before we take any other  
22                  action, okay?

23                  MR. TIDWELL:  Certainly.

24                  CHAIRMAN GOLDWAY:  We have questions from  
25                  the bench.  Who'd like to begin?  Nancy?  No?  Go  
26                  ahead, Vice Chairman Langley.

1                   VICE CHAIRMAN LANGLEY: Thank you so much.  
2                   And thank you, Ms. Martin. Is this the first time  
3                   you're appearing before the Commission?

4                   THE WITNESS: Yes, it is.

5                   VICE CHAIRMAN LANGLEY: You've done very  
6                   well. Thank you for your --

7                   THE WITNESS: Thank you so much. I've been  
8                   nervous.

9                   VICE CHAIRMAN LANGLEY: It's never easy  
10                  appearing in public and having to answer questions  
11                  from us on the bench and the good counsels sitting at  
12                  the table.

13                  You had spoken with Ms. Keller and the  
14                  Public Rep relating to issues relating to Library  
15                  Item 11, and so I'd like to just return to the  
16                  analysis again, estimating the percent reductions in  
17                  plant-to-post office operating miles. You testified  
18                  that you took the subset 14 AMPs, and that was  
19                  completed November 30, 2011. And this subset covered  
20                  four, and are there seven areas, total mail areas now?

21                  THE WITNESS: There's seven, we have seven  
22                  areas now. Yes, ma'am.

23                  VICE CHAIRMAN LANGLEY: Okay. So you looked  
24                  at four out of seven total areas. Now that accounts  
25                  for 7 percent of the total routes in the 14 AMPs  
26                  reviewed and, in addition, about 82 percent of the

1 evaluated routes I believe are from the Great Lakes  
2 and the Western areas. First of all, I'm curious, do  
3 you happen to know what percent of the country, the  
4 geography of the continental United States, the Great  
5 Lakes and Western areas cover?

6 THE WITNESS: I don't know off the top of my  
7 head.

8 VICE CHAIRMAN LANGLEY: That's fine.

9 THE WITNESS: I would assume Western area  
10 only because it's a very huge geography.

11 VICE CHAIRMAN LANGLEY: It's a large  
12 geography.

13 THE WITNESS: It's a very large area, that  
14 they would have most of the routes.

15 VICE CHAIRMAN LANGLEY: Do you know the  
16 percentage of miles? You know, the miles of the  
17 roads, the actual roads.

18 THE WITNESS: I don't have that information  
19 here handy.

20 VICE CHAIRMAN LANGLEY: Okay. Well, so I'm  
21 curious, and it's building on what they were asking as  
22 well. Are you comfortable with the reliability of  
23 your percent reduction estimate in the plant-to-post  
24 office operating miles given what everybody is saying  
25 may not be a totally representative grouping?

26 THE WITNESS: Just based on the 14, I mean,

1 if the math is incorrect, it's just what it shows.  
2 But the confidence in terms of if this is a solid  
3 number, I would say no, this would be subject to  
4 change.

5 VICE CHAIRMAN LANGLEY: And the change,  
6 we've been discussing also the AMP studies and the  
7 consolidation lists have all been finalized. And is  
8 the information at least at the present time which  
9 would be available in April, are you expecting to  
10 update these estimates?

11 THE WITNESS: Yes, I am.

12 VICE CHAIRMAN LANGLEY: Okay. That's really  
13 all I have for right now. Thank you.

14 CHAIRMAN GOLDWAY: I'll let Mark go. We'll  
15 mix up the order here a little.

16 COMMISSIONER ACTON: Thank you, Madam  
17 Chairman. Ms. Martin, thanks for your testimony today  
18 and helping us to build this record about this case  
19 that's before the Agency.

20 CHAIRMAN GOLDWAY: This is Commissioner  
21 Acton.

22 COMMISSIONER ACTON: I am Commissioner  
23 Acton. I'm going to ask some questions from our  
24 technical staff, so I'm going to pose a little  
25 scenario for you and then talk about some responses  
26 we'd like to hear from you, okay? Would it be an

1 accurate representation to say that in doing your work  
2 here as part of your testimony that you analyzed a  
3 subset of routes in the network to estimate the  
4 percent reduction in plant-to-plant trips?

5 THE WITNESS: Yes.

6 COMMISSIONER ACTON: And I believe in  
7 response to one of the presiding officers' information  
8 requests you indicated that you did not use  
9 statistical sampling to select those routes, is that  
10 correct?

11 THE WITNESS: That's correct.

12 COMMISSIONER ACTON: Can you speak to us a  
13 little bit about your rationale on why you elected not  
14 to use the statistical sampling approach?

15 THE WITNESS: It probably just wasn't  
16 available at the time. We were just entering the  
17 data, and we just took a simple view of what trips  
18 could be eliminated and just based it on the total  
19 reduction in trips that we could take overall. It  
20 wasn't something that I used. Statistics is not  
21 something we applied. I'm sorry.

22 COMMISSIONER ACTON: That's all right. When  
23 you make these assessments, do you believe that the  
24 approach that you have adopted in not using  
25 statistical sampling will offer representative and  
26 reliable estimates?

1 THE WITNESS: Do I believe they would? Yes.  
2 I believe if you use a statistical sampling, yes.

3 COMMISSIONER ACTON: No, I mean, I'm talking  
4 about the approach that you employed. Do you believe  
5 that the outcome of that methodology or approach will  
6 result in reliable and representative estimations?

7 THE WITNESS: No, I think that that's going  
8 to be also subject to change, that the percent  
9 reduction probably will change.

10 COMMISSIONER ACTON: How representative and  
11 reliable do you think your measure of the percent  
12 reduction in plant-to-plant trips is?

13 THE WITNESS: It was my analysis and it's  
14 basically from my operational experience looking at  
15 routes and making certain determinations. Obviously I  
16 could be overruled because this is capacity that I  
17 don't need. It's for people that are operating the  
18 trips in the field. So there might be some  
19 misjudgment on my part which would change the outcome  
20 of the plant-to-plant analyses.

21 COMMISSIONER ACTON: Okay. We appreciate  
22 your insight. Thanks for answering my questions.

23 THE WITNESS: You're welcome.

24 CHAIRMAN GOLDWAY: Now Commissioner Taub.

25 COMMISSIONER TAUB: Thank you.

26 Witness Martin, thank you for your service

1 to the Postal Service and to our nation. I just have  
2 a couple questions I want to follow up on. We have  
3 these acronyms of NDCs, the network distribution  
4 centers.

5 THE WITNESS: Yes.

6 COMMISSIONER TAUB: The STCs, the surface  
7 transfer centers. And LDCs, logistics distribution  
8 centers.

9 THE WITNESS: Correct.

10 COMMISSIONER TAUB: In the context of those  
11 three for your testimony of discussing the impact of  
12 the changes in the transportation, I was hoping you  
13 could for the record discuss a little bit how the  
14 network rationalization and the service standard  
15 changes affect transportation between the P&DCs and  
16 each of those three entities, so between the P&DCs and  
17 the NDCs, the STCs and the LDCs. Could you kind of  
18 walk us through the impacts of this, how this is going  
19 to be affected?

20 THE WITNESS: Sure. The plants that would  
21 potentially deactivate by the consolidation or no  
22 longer be in the network would not have a trading  
23 relationship any longer to a LDC, a NDC or another  
24 P&DC for that matter. So once that volume moves or  
25 transfers to another facility, you know, we are  
26 anticipating that the losing facility or the

1 deactivated facility, those links would go away. And  
2 that's kind of what I was trying to express in my  
3 testimony.

4 COMMISSIONER TAUB: One particular question  
5 in terms of the plant-to-plant transportation cost  
6 savings, to get those we've got Witness Bradley and he  
7 applied a percentage reduction. I understand the  
8 current, in his most recent filing, it's 24.39 percent  
9 reduction in plant-to-plant trips that you estimated  
10 to the inter-SCF, the inter area, the inter cluster  
11 and the inter P&DC highway contract costs.

12 The question is, do you expect the cost  
13 savings from the changes in transportation between the  
14 P&DCs and the consolidation facilities resulting from  
15 the network rationalization and service standard  
16 changes, do you expect that we're going to realize  
17 these cost savings given the estimates that Bradley  
18 has applied here?

19 THE WITNESS: Once we finalize the network  
20 and hopefully understand what the impact is, then  
21 those changes would probably go into the costing  
22 element to revise the estimates if they need to be  
23 revised. But because I'm not really done completely  
24 with the network on the whole, the plant-to-plant and  
25 the plant-to-post office trips, and I know we're only  
26 focusing on plant-to-plant, you know, once we are

1 finished, we can take another assessment in terms of  
2 what is the actual reduction from the baseline from  
3 what we are operating today.

4 COMMISSIONER TAUB: So it's really to be  
5 determined if you will going forward.

6 THE WITNESS: Yes.

7 COMMISSIONER TAUB: And one area that -- the  
8 last question that I want to touch on and there's been  
9 a lot of discussion today on the hubs and the acronyms  
10 that I was outlining earlier, the NDCs, the STCs, the  
11 LDCs, our understanding is those are considered  
12 transportation hubs, correct?

13 THE WITNESS: Well, we have the surface  
14 transfer centers today consolidated into the NDCs  
15 because we saw an opportunity to consolidate because  
16 there was space available. So we have done some  
17 consolidations where we have moved independent  
18 facilities into these NDCs, so they are co-located and  
19 they share the space. And we also look for  
20 opportunities, if we can share the space on the truck,  
21 we're going to one place in the network. So, from an  
22 STC standpoint, we are reducing the number of STCs  
23 because we're trying to consolidate them in the NDCs.

24 Now concerning LDCs being a hub, we don't  
25 really classify them as a hub or a surface transfer  
26 center because there are specific functions that occur

1 or activities that occur in an STC environment.

2 COMMISSIONER TAUB: Okay. One of the areas  
3 that we had talked about was obviously trying to get  
4 the estimates of the impacts of the changes,  
5 transportation capacity, trips, mileage between plants  
6 and hubs, any consequent increases or decreases in  
7 transportation costs. There was some discussion  
8 earlier when Witness Williams was here early in the  
9 week and, in fact, in the transcript of page 281,  
10 there was some discussion at that time with him.  
11 There was questions of where are these hubs going to  
12 be, are you assuming they're going to be, part of that  
13 processing plant that's there, new facility. Are there  
14 costs there, who is going to staff them, what time.  
15 The Chairman was outlining all this as a question to  
16 him and he had said, well, I can take that as a  
17 homework assignment, provide a response for the  
18 record.

19 In an earlier discussion on that same topic,  
20 he had said, well, I defer the hub timeframe to  
21 Witness Martin, who is the subject matter expert  
22 around transportation, I defer those questions to  
23 Witness Martin. Can you give a sense of -- you know,  
24 we try to look for estimates of the impact of the  
25 changes on these various factors, transportation  
26 capacity, trips, mileage between the plants, will that

1 increase or decrease the transportation costs. What  
2 are the challenges to answering that today and what  
3 would be involved in getting that information for the  
4 record?

5 THE WITNESS: Well, because there has not  
6 been a decision yet in terms of hubs and where they're  
7 going to be located and how many that we really need,  
8 it would be very hard or difficult for me to answer  
9 that question right now. I take it if it's a homework  
10 assignment for Mr. Williams, it is a homework  
11 assignment for myself. And we will get into the hub  
12 design if that's going to come to fruition in the  
13 future. But once the decision is made, we'll go  
14 forward with whatever we need to do to update the  
15 records here.

16 COMMISSIONER TAUB: Well, thank you. I  
17 appreciate you spending the time going through that  
18 with me and for the questions today.

19 THE WITNESS: You're certainly welcome.

20 CHAIRMAN GOLDWAY: Thank you. I'd just like  
21 to follow up because one of the reasons I pulled up  
22 this transcript is because when you began your  
23 testimony with Mr. Anderson from the APWU, you said  
24 you didn't know anything about hubs.

25 THE WITNESS: Well, I know now --

26 CHAIRMAN GOLDWAY: That it wasn't a part of

1 your set of responsibilities and you weren't in  
2 meetings that discussed hubs. And we have not only a  
3 lengthy discussion with Mr. Williams about the fact  
4 that there are hubs and they've been planning on  
5 having hubs since the beginning of this plan for  
6 network reorganization but that you were the expert on  
7 them. So where was the confusion in the discussion  
8 that you had with Mr. Anderson and the discussion  
9 we're now having?

10 THE WITNESS: As far as the diagram that he  
11 provided, Madam Chairman, I was not familiar with this  
12 presentation. This was something that was developed  
13 by someone else. The hubs, it's a concept. I am  
14 familiar with it because it is stated in the AMP  
15 proposals that people will be operating hubs or wish  
16 to operate a hub. I have not been involved with the  
17 planning of local hubs or putting these things into  
18 the implementation.

19 CHAIRMAN GOLDWAY: Will you be?

20 THE WITNESS: Yes, because it affects the  
21 transportation activity. So, if we're going to decide  
22 to do a hub, then we would have to understand the  
23 transportation requirement.

24 CHAIRMAN GOLDWAY: Once you identify these  
25 hubs, are you going to be able to add the cost of  
26 those hubs to the system and deduct it from the

1 savings you had established so far?

2 THE WITNESS: I don't think the  
3 transportation activity has anything to do with the  
4 hub savings or the facility savings. I don't know --

5 CHAIRMAN GOLDWAY: Well, won't there be  
6 additional trips because there will be smaller hubs in  
7 the local areas and you haven't figured them in?

8 THE WITNESS: I wouldn't anticipate  
9 additional trips per se. If we can consolidate more  
10 volume on less trucks that is going to operate to a  
11 hub and operate less trips to the post office, I can't  
12 assume that it's going to be any additional cost at  
13 this point.

14 CHAIRMAN GOLDWAY: It looks to me on this  
15 graph that when you add hubs, you add trips from what  
16 was the original plan as presented so that you're  
17 going to have extra trips, so I hope when we get a  
18 report from you on what these hubs are that they  
19 include that.

20 The other questions I have are, in your  
21 reports, you say that you estimate the mileage at 46.5  
22 miles to the hour when you're doing time and distance.  
23 How did you get that number?

24 THE WITNESS: That's basically consistent  
25 with the modeling of the transportation. When we look  
26 at transportation and we schedule transportation, we

1 really take into consideration the breaks, the time,  
2 the distance we're going, if we're going on local  
3 roads, the percentage of that, those miles traveled  
4 versus on the open highway. So, you know, we've  
5 dropped the operating speed to allow sufficient time  
6 to do the trip and we move from --

7 CHAIRMAN GOLDWAY: That's the national  
8 average and you apply it everywhere, all the time?

9 THE WITNESS: For most of the  
10 transportation, the --

11 CHAIRMAN GOLDWAY: You don't have anything  
12 to adjust for going up the Rockies where a truck can't  
13 go 46 miles per hour?

14 THE WITNESS: This is on average. Well,  
15 when they go up --

16 CHAIRMAN GOLDWAY: Yes, but don't you have  
17 to plan regionally where there are differences?

18 THE WITNESS: Yes. As I stated before, the  
19 local insight gives us the ability to understand  
20 whether or not those speeds need to be adjusted,  
21 because when we speak with our local officials and if  
22 we have the speed -- or the schedule, it's not --  
23 they're going to be late everyday, we have to take  
24 into consideration the time requirement for those type  
25 of circumstances, going over Donner Pass, going over  
26 the Rockies, whatever.

1           CHAIRMAN GOLDWAY: And the AMPs that have  
2           come back so far, do those include those local  
3           insights so there will be adjustments in the speeds in  
4           the transportation that you provide to us in the next  
5           iteration of the data?

6           THE WITNESS: The AMPs do take into  
7           consideration the local knowledge factor on the  
8           transportation that's being planned.

9           CHAIRMAN GOLDWAY: Then I have a question  
10          about load. Earlier on in one of these initiatives  
11          where we were talking about potential cost savings for  
12          the Postal Service and looking at transportation, I  
13          was told by senior management at the Postal Service  
14          that there's an operational requirement to keep load  
15          on trucks less than 100 percent -- the average is  
16          somewhere around 60 or 65 percent now -- and that the  
17          operational decision to do that was because it is more  
18          expensive to have to get additional load at the last  
19          minute than it is to plan for a less than full load  
20          all the time so you can absorb the additional volume  
21          peaks when they happen. Are you aware of that  
22          operating philosophy?

23          THE WITNESS: No, I'm not.

24          CHAIRMAN GOLDWAY: And so when you're  
25          planning this transportation and you're saying you're  
26          going to have a 100 percent load at the beginning and

1 then you stop in a particular plant to drop off some  
2 mail and you pick up some other mail and you wind up  
3 with 120 percent, what are you going to do with that  
4 extra 20 percent?

5 THE WITNESS: The way the transportation is  
6 scheduled is actually looking at the capacity  
7 requirement for all the stops, that's all-inclusive of  
8 the stops. If there's 120 percent, the 20 percent if  
9 there's time will be rerouted in a different manner to  
10 maybe get on another truck that we can defer or detour  
11 for pickup or we would route it through a surface  
12 transfer center with less than truckload. We go  
13 direct where we have the volume, and if there's any  
14 overflow, we try to minimize running a direct empty  
15 truck with 20 percent.

16 CHAIRMAN GOLDWAY: So it may be that in  
17 maximizing your volumes you may be delaying a certain  
18 portion of the mail. It may have to be delayed a  
19 second day, instead of two-day delivery. It might be  
20 three-day delivery.

21 THE WITNESS: No.

22 CHAIRMAN GOLDWAY: Because you can't pick up  
23 the mail if the truck is full and you have to delay it  
24 for the next pickup.

25 THE WITNESS: The next pickup could be a  
26 trip that is going in a different direction that we

1 can put the mail on and we're just doing --

2 CHAIRMAN GOLDWAY: Yes, but then it might  
3 not make the processing center.

4 THE WITNESS: No, we're just doing an  
5 alternate routing selection to get the mail to final  
6 destination. We wouldn't select that as an  
7 alternative if it wasn't going to be on time. So we  
8 do have flexibility in terms of how we route.

9 CHAIRMAN GOLDWAY: So you're building some  
10 flexibility. And are you building flexibility into  
11 the system so when you have the Super Bowl and the  
12 whole Indianapolis processing plant has to shut down  
13 for a day or two, as I was told had to happen this  
14 Super Bowl, and you were able to move the mail over to  
15 a nearby processing plant to handle it, are you  
16 building in some leeway into your capacity so that you  
17 can continue to have adjustments for those kinds of  
18 emergencies?

19 THE WITNESS: What we do if we have an  
20 emergency situation is we plan for that event. I'm  
21 very familiar with the Indianapolis situation, and we  
22 didn't shut the city, but we rerouted and had the mail  
23 over in the transfer center.

24 CHAIRMAN GOLDWAY: You had volume capacity  
25 at another plant to do that.

26 THE WITNESS: Right. Well --

1           CHAIRMAN GOLDWAY: So would you be  
2 maintaining some excess volume capacity for those  
3 occasions?

4           THE WITNESS: Well, the transportation, the  
5 transportation would be flexed up or down based on the  
6 need. We do this every year during our peak season at  
7 the end of December. We understand what the  
8 requirement is based on an estimated volume and we try  
9 to get the right capacity requirement in place. So,  
10 when we do have emergencies or contingent situations,  
11 we do try to make sure we minimize them in advance if  
12 we know what we need to do, or if it just happens,  
13 there are ways in which to mitigate the issue of  
14 delayed volume. We do not try to delay volume. We  
15 pick an alternate routing.

16           CHAIRMAN GOLDWAY: Okay. I believe that  
17 that completes my questioning. Ms. Langley has one  
18 more question.

19           VICE CHAIRMAN LANGLEY: Yes. Madam Chairman  
20 and I think to my fellow Commissioners, I mean, it's  
21 apparent to me from the discussion that we've had  
22 today and on Tuesday with Mr. Williams regarding hubs  
23 that this is an important aspect of the network  
24 consolidation, and I'm just wondering with whom would  
25 we have a fuller discussion of the hub issue?

26           We're hearing that some of the decisions

1 regarding hubs would be made at the area level, but I  
2 would assume that someone in headquarters also is  
3 involved in hubs. But as you're shrinking the network  
4 and you're utilizing the concept of hubs, which  
5 already exist with NDC, where are we going on this?  
6 So I would appreciate some guidance perhaps from the  
7 Postal Service as far as who would be the best person  
8 to discuss this with during this proceeding.

9 CHAIRMAN GOLDWAY: Mr. Tidwell?

10 MR. TIDWELL: Madam Chairman, I've just  
11 added that to my Friday morning list.

12 CHAIRMAN GOLDWAY: Thursday morning.

13 VICE CHAIRMAN LANGLEY: No, tomorrow is  
14 Friday.

15 CHAIRMAN GOLDWAY: Tomorrow is Friday?

16 VICE CHAIRMAN LANGLEY: It feels like it.

17 MR. TIDWELL: Please, please don't make  
18 tomorrow Thursday.

19 (Laughter.)

20 CHAIRMAN GOLDWAY: Oh, dear, I thought we  
21 had a little extra time for all of our witnesses.

22 Okay, yes, Friday morning list.

23 VICE CHAIRMAN LANGLEY: Thank you.

24 CHAIRMAN GOLDWAY: We'll have some  
25 procedural discussion.

26 MR. ANDERSON: Madam Chairman?

1                   CHAIRMAN GOLDWAY: Thank you also, Ms.  
2 Martin.

3                   MR. ANDERSON: Madam Chairman, may I add a  
4 request to this? I very much appreciate the  
5 discussion here --

6                   CHAIRMAN GOLDWAY: Mr. Anderson from the  
7 APWU.

8                   MR. ANDERSON: It's Darryl Anderson  
9 representing APWU. I very much appreciate the  
10 discussion and the contribution made by the  
11 Commissioners and the witness and counsel for the  
12 Postal Service too, but it raises some issues that I  
13 would like suggest be considered as part of the  
14 Chairman's request.

15                   And for one, I wanted to Ms. Martin if I had  
16 the opportunity whether she's had experience with  
17 implementing a hub, a new hub and if she has, what  
18 kind of timeframe that takes, because we're talking  
19 about a hub-and-spoke operation that's going to be  
20 replicated. And I know that Mr. -- now I'm getting  
21 punchy -- Mr. Williams talked about the re-stat effect  
22 and I think we're going to hear about the re-stat  
23 effect again with regard to the hub-and-spoke  
24 operation. But even if that is the case, there's a  
25 cost associated with that, as the Chairman's question  
26 certainly brought up.

1                   CHAIRMAN GOLDWAY: I don't want to cut you  
2 off except that we're really late.

3                   MR. ANDERSON: Okay.

4                   CHAIRMAN GOLDWAY: And I think if we get an  
5 answer from Mr. Tidwell tomorrow about -- from  
6 Commissioner Langley -- Vice Chairman Langley's  
7 question about who we can talk to, to get more  
8 information about hubs, that's the time at which those  
9 questions should be asked.

10                  MR. ANDERSON: Can I have five more words?

11                  CHAIRMAN GOLDWAY: Five more words, yes.

12                  MR. ANDERSON: Cost, vehicles, size --  
13 vehicles used -- cost, vehicles used, size and  
14 availability.

15                  MS. RUSH: Madam Chairman?

16                  CHAIRMAN GOLDWAY: I think we're all  
17 thinking along the same lines here. We need more  
18 information at least from my point of view. And the  
19 discussion we had with Ms. Rush the other day, we're  
20 concerned about the service in local areas and how the  
21 hubs will provide that service when the processing  
22 plants are cut down. So it's of interest to all of us  
23 here at the Commission, and hopefully we'll find out  
24 how to get more information about that tomorrow, okay.

25                  MS. RUSH: Madam Chairman, begging your  
26 indulgence, I know you're trying to hasten this, but

1 there is one remaining question I think that's not on  
2 the record and I'm not sure to whom we pose it. Tonda  
3 Rush, National Newspaper Association.

4 I believe it was said in response to one of  
5 NNA's questions from Mr. Williams that the areas will  
6 make the decision whether they will be a hub, but they  
7 will not make it alone. And it is not entirely clear  
8 to me whether there will be guidelines, suggestions,  
9 cost limits. I mean, it seems to me from the scope of  
10 Ms. Martin's testimony, what we're learning is any  
11 additional cost will be short-haul transportation.  
12 That may be wholly part of an area budget that doesn't  
13 factor up into the national calculations and we don't  
14 know where they appear. But we're not entirely sure  
15 what the criteria will be for the areas to make these  
16 determinations.

17 MR. TIDWELL: Priority.

18 CHAIRMAN GOLDWAY: I think that's what Vice  
19 Chairman Langley was saying, who at headquarters is  
20 involved in these decisions. So hopefully we will get  
21 some information and try and sort that out first thing  
22 tomorrow, but I would like to move on with our --

23 MR. TIDWELL: And irrespective of what we  
24 can report tomorrow, parties are reminded that April 6  
25 is the deadline for the continuing institutional  
26 discovery. Fire the questions over, we'll see what we

1 can do.

2 CHAIRMAN GOLDWAY: We will continue to do  
3 what we can in that area. Ms. Martin, thank you.  
4 Thank you for your patience and for taking on subjects  
5 that you may not have expected to be asked about.

6 We have an opportunity now for a five-minute  
7 break and you'll check with your counsel to see if  
8 there's any redirect for you. And then hopefully we  
9 can move on to our next witness. Okay, thank you.

10 (Whereupon, a short recess was taken.)

11 CHAIRMAN GOLDWAY: Counsel for the USPS, do  
12 you have any redirect?

13 MR. CONNOLLY: Madam Chairman, this is  
14 Matthew Connolly for the Postal Service. We only have  
15 a couple of questions on redirect.

16 CHAIRMAN GOLDWAY: Would you proceed,  
17 please?

18 MR. CONNOLLY: Thank you.

19 REDIRECT EXAMINATION

20 BY MR. CONNOLLY:

21 Q Ms. Martin, in your response to a question  
22 from APWU counsel, you seemed to indicate that the  
23 Postal Service intends to change transportation modes  
24 to preserve current service levels for priority mail.  
25 Is that an accurate statement?

26 A Yes.

1           Q     Okay.  Is it your understanding that even  
2     though the Postal Service will be changing  
3     transportation modes or anticipates changing  
4     transportation modes for some OD pairs,  
5     origin/destination pairs, there will be service  
6     standard changes relative to priority mail for other  
7     origin/destination pairs?

8           A     Yes, that is my understanding based on the  
9     testimony by Mr. Williams.

10          Q     Thank you, Ms. Martin.  And I wanted to  
11     follow up on a question from the public  
12     representative.  The question was discussing the  
13     periods of time for determining the utilization of  
14     trucks, and I'm wondering on what basis did you  
15     conclude in your response to that particular  
16     interrogatory that the April and October windows were  
17     normal periods?

18          A     We generally pick the April or the October  
19     period because it's a normal volume month pattern for  
20     us.  You know, we try not to take into consideration  
21     any seasonality.  When there's lighter volume periods  
22     in the summer or heavier volume periods in the winter  
23     or in the fall mailing season and the peak period  
24     during Christmas, it would skew the utilization data,  
25     skew it very much so.  What we wanted to do was look  
26     at utilization during a normal period of time, which

1 would be April and October for us.

2 MR. CONNOLLY: Thank you, Ms. Martin.

3 Madam Chairman, I have no further questions.

4 CHAIRMAN GOLDWAY: Thank you. Well, now,  
5 Ms. Martin, we can officially excuse you, although if  
6 there are some questions regarding the updates on the  
7 AMP we may see you again. But I want to thank you for  
8 your participation and for your patience with all the  
9 questioning and assure you that we value the  
10 information the you provided and will take it into  
11 consideration when we make our final decision. Thank  
12 you very much.

13 THE WITNESS: You're certainly welcome and I  
14 enjoyed my stay today.

15 (Witness excused.)

16 CHAIRMAN GOLDWAY: And now we'd like to  
17 proceed with our next witness as soon as possible.

18 MR. TIDWELL: Michael Tidwell for the Postal  
19 Service and we call Emily Rosenberg to the stand.  
20 Madam Chairman, if you could give us just a second to  
21 set up.

22 CHAIRMAN GOLDWAY: Sure.

23 (Pause.)

24 MR. TIDWELL: The Postal Service --

25 CHAIRMAN GOLDWAY: Have you introduced your  
26 witness?

1 MR. TIDWELL: Yes, Madam Chairman. The  
2 Postal Service calls Emily Rosenberg to the stand.

3 Whereupon,

4 EMILY ROSENBERG

5 having been duly sworn, was called as a  
6 witness and was examined and testified as follows:

7 CHAIRMAN GOLDWAY: Please be seated.

8 Counsel?

9 MR. TIDWELL: Thank you, Madam Chairman.

10 DIRECT EXAMINATION

11 BY MR. TIDWELL:

12 Q Ms. Rosenberg, there are two copies of a  
13 document on the table before you entitled, "Direct  
14 Testimony of Emily R. Rosenberg, on Behalf of the  
15 United States Postal Service." It's been designated  
16 for purposes of this proceeding as USPS-T-3. Was that  
17 document prepared by you or under your supervision?

18 A Yes.

19 Q There are a number of library references  
20 associated with that document. I'm going to read off  
21 a list to you and then follow up with a question.  
22 Could you confirm that Library References 13, 14, 15,  
23 16, 17, 18, 19, 34, 35, 36, 37, nonpublic 2, nonpublic  
24 3 and nonpublic 4 are associated with your testimony  
25 and you're sponsoring them in conjunction with your  
26 testimony today?

1           A     Yes.

2           Q     Are there any corrections to your testimony  
3 that you wish to make note of at this time?

4           A     There are two minor changes.  On page 28,  
5 line 4, the word "sort plant," there's a "t" at the  
6 end.  It should read "sort plan."  And on page 50, in  
7 footnote 18, "525,000 square feet" should read  
8 "725,000 square feet," which matches all of the  
9 library references.  And those are the only changes.

10           MR. TIDWELL:  With those changes then, Madam  
11 Chairman, the Postal Service would move into evidence  
12 the direct testimony of Emily Rosenberg.

13           CHAIRMAN GOLDWAY:  And the attached  
14 testimony as well, the attached library references as  
15 well?

16           MR. TIDWELL:  Yes.

17           CHAIRMAN GOLDWAY:  Are there any objections?

18           (No response.)

19           CHAIRMAN GOLDWAY:  Hearing none, I'll direct  
20 counsel to provide the reporter with two copies of the  
21 corrected testimony of Emily Rosenberg.  That  
22 testimony is received into evidence.  However,  
23 consistent with Commission practice, it will not be  
24 transcribed.

25        //

26        //

1 (The document referred to was  
2 marked for identification as  
3 Exhibit No. USPS-T-3 and was  
4 received in evidence.)

5 CHAIRMAN GOLDWAY: Next we will receive  
6 written cross-examination. Ms. Rosenberg, have you  
7 had an opportunity to examine the packet of designated  
8 written cross-examination that was made available to  
9 you in the hearing room today?

10 THE WITNESS: Yes.

11 CHAIRMAN GOLDWAY: Are there any corrections  
12 or additions that need to be made?

13 THE WITNESS: There was no changes required.

14 CHAIRMAN GOLDWAY: If the questions  
15 contained in the packet were posed to you orally  
16 today, would your answers be the same as those you  
17 provided previously in writing?

18 THE WITNESS: Yes.

19 CHAIRMAN GOLDWAY: If everything is in  
20 order, then, counsel, would you please provide two  
21 copies of the designated written cross-examination of  
22 Witness Rosenberg to the reporter? That material is  
23 received into evidence and is to be transcribed into  
24 the record.

25 //

26 //

1 (The document referred to was  
2 marked for identification as  
3 Exhibit No. USPS-T-3 and was  
4 received in evidence.)  
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BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Mail Processing Network Rationalization  
Service Changes, 2012

Docket No. N2012-1

DESIGNATION OF WRITTEN CROSS-EXAMINATION  
OF UNITED STATES POSTAL SERVICE  
WITNESS EMILY R. ROSENBERG  
(USPS-T-3)

<u>Party</u>	<u>Interrogatories</u>
American Postal Workers Union, AFL-CIO	APWU/USPS-T3-1, 3-8, 10-20 NPMHU/USPS-T3-12, 15-18, 20, 26-27 PR/USPS-T3-1, 6-9, 11, 15, 24, 27
Greeting Card Association	GCA/USPS-T3-1-2, 5, 7-10, 12, 15, 18, 27, 29, 35-36, 38
National Postal Mail Handlers Union	APWU/USPS-T3-20, 21a, 26-27 GCA/USPS-T3-1-2, 7-10, 12, 15, 17-18, 25, 27, 29, 32, 36-39 NPMHU/USPS-T3-1-42 PR/USPS-T3-1-4, 6-27
Postal Regulatory Commission	PRC/USPS-T3-POIR No.2 - Q1 PRC/USPS-T3-POIR No.2 - Q2 PRC/USPS-T3-POIR No.2 - Q3 PRC/USPS-T3-POIR No.2 - Q4 PRC/USPS-T3-POIR No.2 - Q5 PRC/USPS-T3-POIR No.2 - Q6 PRC/USPS-T3-POIR No.4 - Q1 PRC/USPS-T3-POIR No.4 - Q2 PRC/USPS-T3-POIR No.4 - Q3 PRC/USPS-T3-POIR No.5 - Q4 PRC/USPS-T3-POIR No.5 - Q5 PRC/USPS-T3-POIR No.5 - Q6 PRC/USPS-T3-POIR No.5 - Q7 PRC/USPS-T3-POIR No.5 - Q8 PRC/USPS-T1-POIR No.1 - Q3 redirected to T3 PRC/USPS-T1-POIR No.1 - Q6 redirected to T3

Party

Public Representative

Interrogatories

APWU/USPS-T3-1-6, 10, 12, 14-15, 19-20, 23,  
26-28, 30  
GCA/USPS-T3-1-2, 5, 8, 12, 17, 19, 25, 29,  
31-32, 36  
NPMHU/USPS-T3-1-5, 7-8, 11-12, 18-20, 24-25,  
27, 29-31, 33-37, 39-40  
PR/USPS-T3-1, 4, 6-7, 10-12, 14-18, 21, 23-24,  
26-27  
PRC/USPS-T3-POIR No.2 - Q1  
PRC/USPS-T3-POIR No.2 - Q3  
PRC/USPS-T3-POIR No.2 - Q4  
PRC/USPS-T3-POIR No.2 - Q5  
PRC/USPS-T3-POIR No.4 - Q1  
PRC/USPS-T3-POIR No.4 - Q2  
PRC/USPS-T3-POIR No.4 - Q3  
PRC/USPS-T3-POIR No.5 - Q4  
PRC/USPS-T3-POIR No.5 - Q5  
PRC/USPS-T3-POIR No.5 - Q6  
PRC/USPS-T3-POIR No.5 - Q7  
PRC/USPS-T3-POIR No.5 - Q8  
PRC/USPS-T1-POIR No.1 - Q3 redirected to T3  
PRC/USPS-T1-POIR No.1 - Q6 redirected to T3

Respectfully submitted,



Shoshana M. Grove  
Secretary

INTERROGATORY RESPONSES OF  
 UNITED STATES POSTAL SERVICE  
 WITNESS EMILY R. ROSENBERG (T-3)  
 DESIGNATED AS WRITTEN CROSS-EXAMINATION

Interrogatory

Designating Parties

APWU/USPS-T3-1	APWU, PR
APWU/USPS-T3-2	PR
APWU/USPS-T3-3	APWU, PR
APWU/USPS-T3-4	APWU, PR
APWU/USPS-T3-5	APWU, PR
APWU/USPS-T3-6	APWU, PR
APWU/USPS-T3-7	APWU
APWU/USPS-T3-8	APWU
APWU/USPS-T3-10	APWU, PR
APWU/USPS-T3-11	APWU
APWU/USPS-T3-12	APWU, PR
APWU/USPS-T3-13	APWU
APWU/USPS-T3-14	APWU, PR
APWU/USPS-T3-15	APWU, PR
APWU/USPS-T3-16	APWU
APWU/USPS-T3-17	APWU
APWU/USPS-T3-18	APWU
APWU/USPS-T3-19	APWU, PR
APWU/USPS-T3-20	APWU, NPMHU, PR
APWU/USPS-T3-21a	NPMHU
APWU/USPS-T3-23	PR
APWU/USPS-T3-26	NPMHU, PR
APWU/USPS-T3-27	NPMHU, PR
APWU/USPS-T3-28	PR
APWU/USPS-T3-30	PR
GCA/USPS-T3-1	GCA, NPMHU, PR
GCA/USPS-T3-2	GCA, NPMHU, PR
GCA/USPS-T3-5	GCA, PR
GCA/USPS-T3-7	GCA, NPMHU
GCA/USPS-T3-8	GCA, NPMHU, PR

Interrogatory

GCA/USPS-T3-9  
 GCA/USPS-T3-10  
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 NPMHU/USPS-T3-16  
 NPMHU/USPS-T3-17  
 NPMHU/USPS-T3-18

Designating Parties

GCA, NPMHU  
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 GCA, NPMHU, PR  
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 APWU, NPMHU, PR

Interrogatory

NPMHU/USPS-T3-19  
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 PR/USPS-T3-8  
 PR/USPS-T3-9  
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 PR/USPS-T3-12

Designating Parties

NPMHU, PR  
 APWU, NPMHU, PR  
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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO AMERICAN POSTAL WORKERS UNION INTERROGATORY**

**APWU/USPS-T3-1** On page 4 of your testimony you state that "initial modeling efforts focus on the processing of letter volume when considering the establishment of a more efficient set of operating windows under new service standards." Was the most important aspect of the concept underpinning the model the full utilization of Postal Service mail sorting equipment? If not, please more precisely describe what was being maximized in this model.

**RESPONSE**

The Postal Service is maximizing two components within the framework of the modeling exercise based on the inputs that were created. The first was the utilization of equipment. That was maximized through the opening of operating windows which could be created through changes in First-Class Mail overnight service standards. The second component was the utilization of the square footage of the facilities. This was done through the estimates of square footage required for each 3-digit ZIP Code based on the redefined operating windows, as well as the estimated amount of workload required to be worked. The model, in seeking to minimize costs, assigned ZIP Codes to facilities to most fully utilize the facilities given the constraints of the model.

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

**APWU/USPS-T3-2** Did any of your modeling efforts focus on minimizing the processing footprint given the current service standards? If so, what did those modeling efforts show? If minimizing the processing footprint given the current service standards was not examined in your modeling, please explain why this was not done.

**RESPONSE**

See the response to GCA/USPS-T1-1. The Postal Service did not model current service standards between points remaining in place.

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

**APWU/USPS-T3-3** On page 6 of your testimony you state that the FY2010 MODS workload was spread evenly across the 3,119,884.69 square miles of the 48 contiguous states of the United States.

- a) This would seem to indicate that you did not use actual 3-digit pair volume to determine the actual origin-destination distribution of the mail volume. Is that correct?
- b) Was the volume also assumed to be spread evenly over the year?
- c) Why were the even workload assumptions made?
- d) If workload was not even either geographically or over time, wouldn't that impact the processing time windows being tested? If not, why not?

**RESPONSE**

- (a) Confirmed. 3-digit ZIP Code pair volume was not included in the scoring tool.
- (b) The volume was spread evenly over the year in the scoring tool.
- (c) See the response to PR/USPS-T3-12. The Microsoft Excel Scoring Tool was used as a high-level model to assess operating windows. This initial analysis was focused on operating windows that needed to be set to service all parts of the geography of the United States, including sparsely populated remote areas. Thus, distributing volume by mailing patterns was not required at this initial stage for defining operating windows. Mail volume distributions and workload requirements were subsequently utilized within the LogicNet Plus modeling.
- (d) The fluctuation in volume can be addressed by the quantity of equipment.

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

**APWU/USPS-T3-4** On page 8 of your testimony you state that delivery points over 66 miles away were consolidated at an intermediate hub location but also state that decisions regarding how to route local transportation will be made at the local area through the AMP process.

- a) Footnote 7 states that the 66 miles was chosen based on a sensitivity analysis that included an 8 hour operating tour, a zero trip cost and a minimum building size of 21, 265 square feet but that these were not steadfast rules being employed in the final network design. Was the 66 miles used as a parameter in guiding the final design or was it simply used as part of an exercise in testing how processing window length could relate to ultimate service standard design?
- b) What is the average square footage of the Postal Service's current P&DCs?
- c) In your modeling exercise what type of facility was being used as a hub? Was this type of facility engaged in mail processing or was it just a cross docking location?
- d) Does the Postal Service currently use a hub and spoke system or is it a hybrid system which uses some hub and spoke consolidation but also includes direct transportation runs for high volume pairs?
- e) Is the proposed network a strict hub and spoke system or a hybrid system?

**RESPONSE**

- (a) The hub concept was examined to account for the additional transportation time and its impact on operating windows when processing nodes are further away from the collection and delivery units.
- (b) The average for the 251 facilities in the USPS 2011 Annual Report is 247,868 square feet.
- (c) The hub could be a standalone facility. This stage of modeling did not define specific nodes.
- (d) It is a hybrid approach today.
- (e) The proposed network is likely to be a hybrid system.

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

**APWU/USPS-T3-5** On page 11 of your testimony you state, "the Excel tool is a rational way of developing a starting point for discussion to illustrate the opportunities presented by relaxing service standards." Can this model be used to look at options that maintain current service standards while changing other parameters?

**RESPONSE**

Yes.

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

**APWU/USPS-T3-6** On page 12 of your testimony you state, "the operating windows were used in conjunction with MODS FY2010 workload to determine the configuration of the mail processing network under the proposed service standards."

- a) Please confirm that the configuration of mail processing locations that came from this modeling exercise is predicated on the relaxed service standards being in place. Please explain any answer other than an unqualified confirmed.
- b) Was this model ever used to estimate a configuration of mail processing locations that assumes the current service standards remain in place? If so, what was the outcome of that modeling exercise?

**RESPONSE**

- (a) Confirmed, the operating windows derived from the Scoring Tool are only feasible under a no overnight network design. For example, DPS can not begin running at 12:00 PM if the plant needs to wait for the overnight partners volume to arrive given the cancellation window does not even begin until 5:00 PM.
- (b) See the forthcoming response GCA/USPS-T-1. The Postal Service did not model current service standards between points remaining in place.

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

**APWU/USPS-T3-7** On page 12 of your testimony you indicate that the FY2010 MODS workload was also used in this modeling of the configuration of the network.

- a) Did this also assume evenly distributed workload both geographically and over time or did it use the actual volumes for each 3-digit origin-destination pair?
- b) If the latter was used, did it break the workload down by shape and type or use a gross volume number between geographic locations?

**RESPONSE**

(a) Not confirmed. In the LogicNet Model the volume was disaggregated to the 3-digit ZIP Code level as described in Section III. B. 3 of USPS-T-3.

(b) The volume was categorized by shape and type as outlined in section III. B. 3 of USPS-T-3.

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

**APWU/USPS-T3-8** On page 14 of your testimony you state "No capital investments were allowed in the model in light of the Postal Service's current cash flow situation." Was this model ever tested to see if a more efficient configuration could be achieved if some level of capital investment was allowed? If not, could this model be used to test that?

**RESPONSE**

The model did not allow for facility expansion. The current model would need to be modified to be run to allow for building expansion.

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

**APWU/USPS-T3-10** You state on page 16 that based “on Logic Net’s transportation cost algorithm, the \$100 per lane assumption most accurately represented the current ratio of transportation cost to mail processing cost.”

- a) What period of time does “current” refer to in this statement?
- b) If transportation and mail processing costs were different from the current ratio would that cause a change in the configuration of the proposed network?
- c) Would you agree that Logic Net trades off transportation costs and plant node costs to determine the configuration of plants?
- d) Was this model also used to test configurations of transportation and mail processing costs that were likely under the terms of the most recent APWU contract? If so, how did the configuration of that network differ from the one that resulted from the “current ratio?”

**RESPONSE**

- (a) Fiscal Year 2010 was the bench mark we used for the analysis.
- (b) Yes, Logic Net’s objective is to minimize cost. The cost function includes both mail processing and transportation costs. If the costs were different the results would also differ.
- (c) Confirmed.
- (d) No. The Logic Net modeling did not account for complement.

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

**APWU/USPS-T3-11** On page 16 of your testimony you state that if a “facility had no cancellation equipment, its production capacities for cancellation were cut by 67 percent to allow for additional travel time to be transported to an automated cancellation facility.”

a) This seems to assume that transportation costs are always cheaper than buying or moving a cancellation machine to the plant location. Is that the assumption in the model?

b) Did this model assume that each mail processing location could only use the fixed equipment that was already in place? If not, what was the assumption about the mail processing equipment at this step in the analysis?

**RESPONSE**

(a) The reduction in AFCS model capacity was only applied to processing nodes that did not currently have cancellation equipment. Thus, the volume was already being worked at an alternate location. Thus, the model was allowed to assign cancellation to the site, but only if the transportation costs outweighed that of maintaining AFCS processing in that facility.

(b) The modeling decisions were all based off of equipment footprint requirements as explained in section III.B.3 of USPS-T-3. The facility square footage could be utilized for processing all products. For the model, it was less expensive to process the parcels and bundle volume in existing APPS sites, than sites with no parcel and bundle sorting equipments making current parcel and bundle sorting locations more attractive to the model since they are less costly and the objective is to reduce cost.

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

**APWU/USPS-T3-12** Pages 17-20 of your testimony describe the process whereby 61 of the locations activated in the modeling scenario were replaced with 71 locations chosen because of area specific knowledge. On page 20, you state that "Western Area mail processing and transportation managers preferred to relax the 200-mile distance constraint so as to reduce the number of smaller processing centers in more remote locations."

- a) What factors were considered in relaxing the 200-mile distance constraint?
- b) Was the potential impact of bad weather in those locations one of the factors that was considered in that analysis?
- c) Why did the mail processing and transportation managers consider smaller plants to be less desirable than larger plants?

**RESPONSE**

- (a) As the results were analyzed with the new operating constraints, operational experts based on their knowledge of local conditions felt in some instances relaxation of the mileage constraint was possible.
- (b) Weather was considered during the review process.
- (c) It is not that smaller plants are less desirable than larger plants, but the fact that the smaller plants will have less volume going to the respective destination processing nodes. For example, letters are sorted into handling units and handling units are sorted into containers to be transported between plants. If there are more small plants, there is a greater likelihood of having partial trays and partial containers. A partially fully tray and a partially full container take up the same footprint on a truck as a full tray or full container respectively. Thus, in the case of surface transportation, each piece in an underutilized container cost more to transport if the cost of the truck is fixed. In addition, our tray sorting equipment can handle a specific number of trays per hour. More equipment would be required to process the additional trays caused by the trays only being partially full.

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

**APWU/USPS-T3-13** On page 21 of your testimony you state that origin mail arrival profiles were used to generate the proposed equipment sets for each location.

- a) Identify the steps for generating these volume profiles by location.
- b) Was a separate volume profile generated for each class and shape of mail at each location?
- c) Did the process for generating the volume profiles use FY2010 volumes for the specific 3-digit zip codes assigned to each processing location and sum them?
- d) What consideration was given to the possibility that mailer behaviors would change in response to the revised service standards and thus potentially produce a completely different mail volume profile including days with larger mail volumes than are currently seen?

**RESPONSE**

- (a) The steps to generate the volume arrival profile can be found in footnote 28 of my testimony.
- (b) No, one VAP was applied to all single piece volume regardless of shape. Footnote 30 describes the volume arrival profile assumptions used for Mailer volume.
- (c) No, as described in my testimony Transportation Information Management System utilization was used to determine the distribution for volume arrival profile.
- (d) No specific consideration was given to the change in mailer behavior. Footnote 30 describes the methodology used to approximate the mailer volume arrival profile.

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

**APWU/USPS-T3-14** On page 21 of your testimony you state that peak volumes for the AFCS were set at the 75<sup>th</sup> percentile of FY 2010 because there is room to expand the processing window but set at 95<sup>th</sup> percentile of FY2010 data for DBCS because the processing window could not be expanded.

- a) How was it decided that the peak capacity could be set at 95 percent of the 2010 volumes? Was this set below 100 percent because the service standards had been relaxed?
- b) Was any equipment redundancy built in to maintain the reduced service standards in case of machine breakdowns or other unexpected circumstances? i.e. what assumptions were used to ensure that there was enough capacity to improve the consistency of meeting the service standards?

**RESPONSE**

- (a) It is not 95 percent of the FY2010 volume, but the 95 percentile, which represents the 14/15 highest volume day. There are other mitigating strategies to handle peak days and thus equipment sets are not planned for the highest day of the year.
- (b) As noted in response to subpart (a), the Postal Service utilized a peak factor for estimates of equipment needs. On most days, the Postal Service will not require that much capacity which will allow some ability to manage unexpected circumstances.

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

**APWU/USPS-T3-15** On pages 23 of your testimony you state that certain volumes had to be achieved before an AFCS or a DBCS machine was earned for the site.

- a) If a site did not "earn" an AFCS does that mean it is not assumed to process mail requiring cancellation or does it assume the mail will be transferred to a different facility for cancellation and then returned to be processed?
- b) If a site did not "earn" a DBCS, does that mean that site does not process letter mail? If so, what happens to the letter mail from the 3-digit ZIP codes associated with that site?
- c) Please explain more precisely the assumptions that were used when a facility was determined to not have enough floor space to accommodate all the equipment this analysis assigned? How many facilities fit that situation?

**RESPONSE**

- (a) If there was not enough volume to earn the "first" machine, either the volume could be sorted manually or at the time of the AMP study another more suitable piece of equipment would be considered for processing.
- (b) No, it meant the Postal Service would review the situation and determine whether to allocate equipment or sort that mail manually. During this process, it was found that there was no site designated for letter processing that did not warrant at least 1 DBCS and/ or DIOSS.
- (c) The results of this modeling initiative are all preliminary. The proposals are currently under evaluation through the formal USPS Handbook PO-408 AMP review process. During that process, additional local and headquarters analysis will be completed to assess equipment and facility space needs reviewing additional items that cannot be evaluated with the model phase, such as column spacing and specific building configurations. During AMP review, it is possible the equipment sets will fit within the current building, alternatively, additional nodes may need to be maintained.

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

**RESPONSE to APWU/USPS-T3-15 (continued)**

Lastly, a cost-benefit analysis may be completed to determine if expansion is cost justified by the savings of the consolidation. 37 sites fit this situation at the initial modeling stage.

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

**APWU/USPS-T3-16** Various throughputs were calculated from WebEOR data to determine the productivity of each of the machines.

- a) Were the throughputs based on averages for the machines over all plants?
- b) Was any consideration given to variations in throughputs by plant size?
- c) Was any correction made for the possibility that the reported throughput numbers were partly impacted by relatively low mail volumes?

**RESPONSE**

- (a) Yes, the throughputs were calculated on average overall machines for like machine types.
- (b) A decision was made not to use facility specific throughputs due to the changed operating concept under Network Rationalization.
- (c) It is for this reason, we chose to use national throughputs.

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

**APWU/USPS-T3-17** On page 34 of your testimony you state that some mail processing facilities in the proposed network would be dedicated to sorting a single product while other locations may process letters, flats, bundles and/or parcels. Was any consideration given to the possibility that customers might prefer to drop all their mail shapes at one facility rather than have to drop them at separate facilities? If so, how was that modeled?

**RESPONSE**

No.

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

**APWU/USPS-T3-18** Aside from DPS, what can DBCS be utilized for?

**RESPONSE**

In addition to DPS, a DBCS machine can be used for outgoing primary, outgoing secondary, incoming primary, and incoming secondary processing.

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

**APWU/USPS-T3-19** On page 2 of your testimony you state "this downtime creates unused capacity in the network which can only be reduced through the relaxation of service standards." What led you to conclude that the relaxation of current service standards was the only way to reduce the unused capacity?

**RESPONSE**

There is limited ability to increase the utilization equipment without expanding the operating window. The operating windows, under current service standards, cannot be expanded without encroaching on the operating windows of downstream sortation, transportation, or delivery. As there is only so much time between mail collection and mail delivery, the overnight standard confines the amount of processing time allowed for delivery point sequencing and causes the need for additional equipment, which translates into additional facility square footage. Shortening processing windows results in larger equipment needs, exacerbating the issue of underutilized equipment. Shortening travel time means additional volume may need to travel via air to meet the service standards.

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

**APWU/USPS-T3-20** Please refer to your response to PR/USPS-T3-6(a), filed January 5, 2012, which states

As for the LogicNet model, at the time of [sic] the model was run, the Postal Service utilized a set list of facilities to choose from, as described in my testimony.

Had the Postal Service excluded facilities that were subsequently shut down as part of the AMP process as detailed in the June 2008 Network Plan, the model would not have been allowed to select those facilities as remaining nodes. Please confirm that this statement means the LogicNet model run did not assume facilities "subsequently shut down" as part of the June 2008 Network Plan's AMP Process were actually shut down. In other words, the LogicNet Model run was allowed to select as remaining nodes facilities that had been shut down as part of the June 2008 AMP process. If you do not confirm these interpretations, please clarify your PR/USPS-T3-6a response.

**RESPONSE**

Not confirmed. Some of the facilities included in the June 2008 Network Plan's AMP process were closed, but not all. The facilities excluded from the LogicNet analysis were facilities on the SCF label list that had no workload and no equipment in the facility at the time of modeling. In addition, processing facilities that were active in the AMP process were also forced closed to ensure the results aligned with on-going organization decisions.

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

**APWU/USPS-T3-21** Please refer to APWU-USPS-T3-19 which asked "What led you to conclude that the relaxation of current service standards was the only way to reduce unused" equipment capacity? Your response (filed January 5, 2012) states:

There is limited ability to increase the utilization of equipment without expanding the operating window. The operating windows, under current service standards, cannot be expanded without encroaching on the operating windows of downstream sortation, transportation, or delivery.

- a. Please confirm that your answer here asserts the view that only way the Postal Service can increase mail processing equipment utilization is by expanding mail processing operating windows, which can only be accomplished through relaxing current service standards, as proposed in the Network Rationalization plan. If not confirmed, please explain.
- b. Please refer to OIG Audit Report EN-AR-12-001, which is included in USPS LR-N2012-1/42. At page 11, this Audit Report states the following regarding the transfer of originating mail operations from the Flint, MI P&DC to the Michigan Metroplex P&DC:

On September 22, 2009, the Postal Service completed the transfer of Flint's P&DC originating mail operations to the Michigan Metroplex P&DC. The final post implementation review was completed and signed on May 23, 2011 showing a total annual saving of \$2,292,466. The majority of the savings were due to workhour reductions.

- i) Do you agree that the Postal Service's May 23, 2011 final post implementation AMP review of the transfer of Flint P&DC originating mail operations to Michigan Metroplex P&DC reported annual savings of close to \$2.3 million? If you do not agree, please indicate what you believe is the correct annual savings reported by the May 23, 2011 post implementation review.
- ii) Do you agree with the Audit Report's conclusion that the "majority of the savings" resulting from the transfer of Flint P&DC originating mail operations to the Michigan Metroplex P&DC "were due to workhour reductions." If you do not agree, please explain. In particular, please indicate in your explanation whether you do not agree with this Audit Report conclusion because you do not believe the transfer of operations achieved any significant savings; or whether you do not agree because you believe the transfer did achieve savings, but due to factors other than workhour reduction.

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

**APWU/USPS-T3-21 (continued)**

- iii) If you agree that the transfer of Flint P&DC originating mail operations to Michigan Metroplex P&DC achieved substantial savings "due to workhour reductions;" or achieved significant savings due to other factors, did the achievement of these workhour reduction or other cost-saving changes require expansion in the operating-window time periods for any mail processing operations conducted at the Michigan Metroplex P&DC? If so, please explain which operations required increases in their operating windows, and the extent of such increases.
- iv) If you agree that the transfer of Flint P&DC originating mail operations to Michigan Metroplex P&DC achieved substantial savings "due to workhour reductions;" or achieved significant savings due to other factors, to what extent were First-Class Mail service standards or other service standards applicable to turn-around mail and non-turn-around mail originating from or destinating to the Flint and Michigan Metroplex service areas reduced or otherwise modified in order to achieve the workhour-reduction or other cost savings? If service standards were not reduced, please explain how the transfer of operations from Flint P&DC to Michigan Metroplex P&DC accomplished the reported workhour-reduction and/or other cost savings.

**RESPONSE**

- a. Not confirmed, the third word of the statement is "limited". I utilized the term limited, because, while we believe there may be additional consolidation opportunities available, they are limited, and will not lead to the type of consolidation and savings opportunities as outlined in the MPNR.
- b. [Redirected to the Postal Service for an institutional for response]

**RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS ROSENBERG  
TO APWU INTERROGATORY**

**APWU/USPS-T3-23** In "NP2\_FY2010 Workload Volume by Operation Type.xls", tab 'PRI', column E ("MODS"), five different rows report data for the NDCs Washington, Cincinnati, Des Moines, St. Louis, and Kansas City (similarly, 10 different NDCs are reported in column D ("Survey - ADC")).

- a) Please explain the difference between "Survey ADC" (Column D, "PRI" tab) and "MODS" (Column E, "PRI" tab)
  - i) Clarify why the Survey ADC Springfield MA NDC in (Column D, row 20) corresponds to the MODS Springfield MA PMPC (Column E, row 20)
- b) Please explain why 'PRI' data are reported for as subset of the 22 NDCs (10 reported in Column D of the 'PRI' tab, corresponding to 5 in Column E of the 'PRI' tab).
  - i) If more than these reported NDCs conduct sorting operations on 'PRI', please provide us all pertinent data for all NDCs conducting sorting operations on PRI, consistent with the data included in the 'PRI' tab.
  - ii) If only a subset of NDCs conduct sorting operations on 'PRI', please identify which NDCs conduct sorting operations on 'PRI' and please explain why.
    - a. Please provide all pertinent data for these NDCs, consistent with the data included in the 'PRI' tab.
- c) Also, if one or more NDCs conduct sorting operations on parcels other than Priority-Mail parcels, please explain why there are no rows in 'P-OGP' or 'PINP' reporting parcel data for such NDCs.
  - i) Moreover, if one or more NDCs conduct sorting operations on parcels, other than Priority-Mail parcels, please provide all pertinent data consistent with the data in tabs 'P-OGP' and 'P-INP'.
- d) If one or more NDC5 conduct sorting operations on First-Class Mail letters and/or flats, please explain why there are no rows in tabs 'L-OGP', 'L-OGS', 'L-INP', 'F-OGP', 'F-OGS', or 'F-INP' reporting letters/flats data for these NDCs.
  - i) Moreover, if one or more NDCs conduct sorting operations on First-Class Mail letters and/or flats, please provide all pertinent data consistent with the data in tabs 'L-OGP', 'L-OGS', 'L-INP', 'F-OGP', 'F-OGS', or 'F-INP'.

**RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS ROSENBERG  
TO APWU INTERROGATORY**

**RESPONSE to APWU/USPS-T3-23**

- a) The "Survey - ADC" contains the ZIP assignments received during a Priority Mail processing field survey conducted in 2010. The "Survey -- ADC" site was mapped to the representative "MODS" site that processed Priority volume in FY2010 when no Priority Mail processing data existed for the "Survey -- ADC" site.
- (i) In MODS, the Springfield MA NDC did not contain processing data for Priority Mail. Therefore, those ZIP Codes were mapped to the Springfield MA PMPC, which did contain processing data for Priority Mail for the applicable ZIP Codes.
- b) This is the result of differences between the Priority Mail processing survey conducted in 2010 and where the applicable MODS volume was actually reported.
- (i,ii,a) The "MODS" site data contained in the reference NP2\_FY2010 Workload Volume by Operation Type.xls are consistent with Priority Mail processing for FY2010.
- c) (i) Other than Priority Mail, Network Rationalization did focus on NDC processing. The initial and final processing of P-OGP and P-INP were within scope and therefore mapped to the applicable OPDC and DPDC for each ZIP Code.
- d) (i) The FY2010 MODS data do not contain any FCM volume processed at NDCs.

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

**APWU/USPS-T3-26.** Please refer to USPS Library Reference N2012-1/13, tab 'CANC', columns J and L.

- a) Please confirm that column J reports ODIS volumes, and column L reports MODS cancellation piece handling volumes. If you do not confirm, please explain what volumes column J and L do report, and how these volumes are derived.
- b) Please explain why the ratios of the column L volumes over the column J volumes vary from facility to facility. For example, the ratio of column L over column J volumes for Springfield MA P&DC is 2.50, whereas the corresponding ratios for Boston P&DC and Brockton P&DC are 3.20 and 2.35, respectively.

**RESPONSE:**

- (a) Not confirmed. Column J contains ODIS First-Class Mail single piece letter and card volume that was stamped. Column L contains MODS volume associated with letter cancellation operations.
- (b) I cannot explain why the ratios are different other than to point out that the two data systems, ODIS and MODS, are completely independent of each another. They rely on different means for data collection and reporting, which could account for the differences.

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

**APWU/USPS-T3-27:** Please refer to USPS Library Reference N2012-1/13, tab 'CANC', columns D, E and N.

- a) Please confirm that any facility listed in column D but not in column E is a non-MODS facility that does cancellation of at least some of the mail originating from the 3-Digit ZIP Code it is responsible for. For example, row 57 reports Martinsburg, WV as a non-MODS facility that cancels at least some of the mail originating from ZIP 254. If you do not confirm, please explain what it means for a facility to be listed in column D but not in column E.
- b) For each facility listed in column D but not in column E, please confirm that the column N "FY10 MODS" volume is an estimate of the cancellation piece handlings this facility would have reported to the MODS database if it had been a MODS facility in FY 2010. If you do not confirm, please explain how to interpret the column N volumes reported for all facilities which are listed in column D but not column E.

**RESPONSE:**

- (a) Not confirmed. Column D contains the ZIP Code assignments received during a Mail Processing Survey conducted in 2010. The column D site was mapped to the representative column E site that performed letter cancellation in FY2010 when no cancellation processing data existed for the column D site. In the case of Martinsburg, no representative facility could be identified so Martinsburg represented itself.
- (b) Not confirmed. The volume in column N is an estimate of the letter cancellation volume in pieces for the 3-digit ZIP Code associated with the record.

**RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS ROSENBERG  
TO APWU INTERROGATORY**

**APWU/USPS-T3-28** Please refer to USPS Library Reference N2012-1/NP2, tab 'Model MODS', and specifically to the MODS volumes in columns B-O, and the square feet units in columns P-X.

- a) Cell P32 refers to these column P-X values as Sqft/HR. Please confirm that they are actually values for Sqft.
- b) With respect to the L-OGP MODS volumes in column C of 'Model MODS', please confirm that any given column-C L-OGP volume always converts into the exact same column-Q L-OGP Sqft value, regardless of the ZIP3 reported in column A. For example, if three different rows report the same column-C L-OGP MODS volume, please confirm that these three rows also report the same column-Q LOGP Sqft values. If you do not confirm, please explain how the same column-C volume reported for two or more ZIP3s can convert into different L-OGP Sqft.
- c) Similarly, with respect to the L-INP MODS volumes in column E of 'Model MODS', please confirm that any given column E volume always converts into the same column-R L-INP Sqft value, regardless of the ZIP3. If you do not confirm, please explain.
- d) With respect to the P-OGP, P-INP, PRI-O, and PRI-I volumes in columns L through O of 'Model MODS', please confirm that any given sum over these column L-O volumes always converts into the same column-X P/PRI-OGP/INP Sqft value, regardless of ZIP3. If you do not confirm, please explain.

**RESPONSE:**

A. Confirmed. The formula used in cell P32 is as follows:

$$\frac{(\text{ZIP Code 005's Cancellation Workload} * \text{AFCS Footprint})}{(\text{AFCS Throughput} * \text{Cancellation Operating Window})}$$

Thus,

$$\frac{(\text{Pieces} * \text{Square Feet})}{(\text{piece per hour} * \text{hours})} = \text{Square Feet}$$

B. Confirmed.

C. Confirmed.

D. Confirmed. At this stage of modeling, Priority windows were not distinct from other parcel processing.

**RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS ROSENBERG  
TO APWU INTERROGATORY**

**APWU/USPS-T3-30** Please refer to USPS Library Reference N2012-1/13, tab 'ODIS'.

- a) Please confirm that the total First-Class Mail volumes reported in this tab by ZIP3 and volume category (L-INP, F-INP, etc.) exclude First-Class Presort mail pieces for which Origin ZIP Codes are unknown.
- b) If confirmed, please explain why this absence of Origin ZIP Codes justifies excluding the mail pieces from computations of total pieces for incoming sortation categories such as L-INP, L-INS1, L-INS2, F-INP, and F-INS.

**RESPONSE:**

- A. Not confirmed. Volume without Origin 3-Digit ZIP Code is included and redistributed using the distribution of data points with Origin information.
- B. Not applicable.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-1**

Please refer to library reference USPS-N2012-1/14, excel file, "14\_Mail Processing Window Scoring Tool.xls".

- (a) Please refer to worksheet "Results" cell R4 (Annual Savings) and explain what annual savings mean in the context of this model.
- (b) Please refer to worksheet "Assumptions", cell E22 (Number of days for earliest delivery), and explain what this assumption means in the context of this scoring tool.
- (c) This subpart requests explanation of certain operations using the scoring tool:
  - i. Suppose that we change the entry in the above cell (E22) to 1, and click on "Generate Iteration Results" and compare "Annual Savings" shown in the "Results" worksheet, cell R4. The "Annual Savings" for 1-day delivery according to this scoring tool, becomes \$6,872.7 whereas for 2-day delivery in the original "Results" tab was \$6,371.56. Please fully explain these results.
  - ii. Please change the entry value for cell E22 in the "Assumptions" worksheet back to 2 and generate the results. This time the "Annual Savings" under "Results" tab become \$6,872.7 (the same value as for a 1-day delivery assumption) not \$6,371.56 (value for a 2-day delivery assumption). Please explain the reason for this discrepancy.

**RESPONSE**

- A. Annual savings is a scoring metric. For each iteration run, it equals the values on tab, "Calculations" cell N46.
- B. This defines the minimum service standard, which impacts the feasible processing windows. A value of one means an overnight standard for First Class mail exists. Two means the earliest delivery service standard for First Class Mail is two days.
- C.
  - i. The detailed breakdown of calculations can be found on the calculations tab in cell N46. The formulas can be used to trace how the results are calculated. This can be done by choosing "Tools" on the MS Excel menu bar, and choosing "Formula Auditing" from the drop down menu. From the next drop down you can look at all the formula's precedents. In addition, there is an option under the "Tools" menu to turn on the formula auditing mode, so all formulas can be traced.
  - ii. In addition, to replicate the exact results you need to ensure that all

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**RESPONSE to GCA/USPS-T3-1 (continued)**

assumptions are identical. You can use the tool two ways: perform one-off assumption changes or have it run through multiple iterations. The 6,371.56 is a result of an earlier run where the iteration function was used. The 6,872.7 is based on the assumptions currently saved in the model. That value resides in cell N46, on the calculations tab, prior to making any adjustments. Thus, they do not match because you are not comparing the "like" scenarios.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-2**

In your testimony on page 1 lines 1-9, you appear to state that your work assumes the service standard changes proposed by USPS witness Williams, and that you essentially start with that as a given input, from which you derive a new network proposal (lines 5-6). However, on lines 7-9 you seem to state just the reverse, namely that your work determined "the network concept on which the proposed service standard changes are based."

- (a) Please explain whether your work itself concluded that an end to overnight delivery was necessary, or whether you took that as a given and then worked to determine a possible new network flowing from that that maximized potential savings to USPS.
- (b) (i) Did you explore whether other operating windows were possible for single piece that also achieved savings to USPS but (as with Presort First-Class Mail under the Postal Service proposal) did not necessarily end overnight delivery?  
(ii) If your answer to (b)(i) is affirmative, please provide all documentation of your efforts.  
(iii) If your answer to (b)(i) is negative, please explain why did you not consider such alternatives for Single Piece as you did with Presort?
- (c) Please refer to page 6, lines 1-2, of your prefiled testimony. Does this sentence mean that "the twenty-four hours" referred to was a built-in feature of the Excel calculator, rather than a variable input which was entered into it (and could be replaced by a different value in a different run)?

**RESPONSE**

- A. My work determined the network that could be created based on the service standard changes described by witness Williams. My work recognized that the constraint within the mail processing network was the overnight delivery of First-Class Mail (FCM), and my work realized that the modification of the FCM service standard could lead to significant consolidation opportunities as detailed throughout this docket.
- B.
  - i. No detailed analysis was completed by me. See the response to GCA/USPS-T1-1.
  - ii. See the response to GCA/USPS-T1-1.
  - iii. I was not directed to.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**RESPONSE to GCA/USPS-T3-2 (continued)**

- C. Cell E22 could allow one to run an iteration of the model with no additional service days.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-5**

What is the current underutilization of DPS (or idle time) for rural delivery areas as compared to urban/suburban delivery on average nationally? Please quantify your answer as precisely as possible.

**RESPONSE**

This question cannot be answered. The service areas for many plants include a mix of rural, urban, and suburban addresses. DPS machines that are double banked are not necessarily dedicated to rural, urban, or suburban zones.

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-7**

On page 2, lines 22-23, you state "we worked towards developing an operating plan and associated service standards...".

(a) What other witnesses in this case or other USPS staff or outside consultants does "we" refer to?

(b) Does the above-quoted statement mean that you did not start with either a new operating plan or a new set of service standards, but developed these simultaneously or sequentially?

(c) If your answer to (b) is in the affirmative, please provide all iterations that are not now in your pre-filed materials, or in the case of existing library references, please provide citations to all such iterations.

**RESPONSE**

- A. No other N2012-1 witnesses were involved in the modeling. The "we" includes my immediate manager, and his staff at the time of modeling.
- B. Not confirmed. Although the assumption to have no overnight was decided prior to modeling, it still must be determined which 3-digit ZIP Code pairs would have a First Class Mail service standard of 2-day and which would have a 3-day First Class Mail service standard. This is dependent upon operating windows and modes of transportation.
- C. Not applicable.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-8**

On page 3 of your testimony, lines 2-5, you discuss the first two steps in your work.

- a. Please define specifically and in detail "theoretical", "feasible", "model" and "optimization" as used in your discussion.
- b. You state that the first step was to build a tool "for determining operating windows...". How many sets of windows did you look at for FCLM, for Presort, and for SP FCLM? Please document each such research effort and provide all data or other results from this first step, whether or not included in your pre-filed materials.
- c. Please explain in detail whether your "second step" optimization model created multiple mail processing network structures depending upon which sets of operating windows you used in step one. Please provide all the output from these efforts, not included in your pre-filed materials, or in the case of the latter full citations to such materials.

**RESPONSE**

**A. Definitions:**

Theoretical: the scoring tools results predicted by theory but has not yet been sufficiently tested by observation or more detailed analysis

Feasible-if the scenario is actionable

Model- a representation to illustrate a framework for discussion.

Optimization—This refers to the logic net software, which was used as a least cost optimization model.

- B. The scoring tool includes a subset of the iterations run. There is no document that includes all iterations of the assumptions changes and their corresponding results.
- C. We only modeled the scenario described in USPS-T-1. Please see the response to APWU/USPS-T3-2.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-9**

- (a) Regarding your interviews or sharing of materials with area or district managers, did this process take place before or after the proposed service standards in this case had been selected?
- (b) Were managers presented with changes in service standards other than ending overnight delivery of FCM?
- (c) Did the idea of keeping overnight standards for Presort but ending them for Single Piece FCLM emanate from the managers, from your model, or elsewhere? Please be specific as to the source if your answer is "elsewhere".
- (d) What range of factors did managers cite in opposition to, for example, closing their own plant?
- (e) Did those factors include any discussion with or by any manager of how far bulk mailers of FCLM would have to transport their mail to a USPS facility? If so, please provide details of those conversations.
- (f) Did those factors include any discussion with or by any manager that with added transport distances and earlier entry windows, the higher costs could lead bulk entry mail to decline, and mail processing of those volumes to revert back to the Postal Service for all mail processing steps? Please fully explain your answer.

**RESPONSE**

- A. I am informed that the business rules of the proposed service standards were not fully developed until after the Advanced Notice of Proposed Rulemaking comments were received. The network discussions that took place were based on a general framework of not having an overnight service standard, not the final proposed rules that are the subject of this docket.
- B. I am informed that they were not.
- C. I am informed that the change was the result of feedback and comments related to the new operational window. It was quickly realized that mailers may be able to enter prior to the initiation of the DPS processing, and that there was no reason to not allow that to occur.
- D. I do not know. I did not participate in all teleconferences.
- E. Not to my knowledge.
- F. Not to my knowledge.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-10**

On page 12, line 12, of your testimony, please fully define what you mean by "nodes".

**RESPONSE**

Nodes are potential future mail processing locations.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-12**

On page 4 lines 4-9, you state that "late arriving mail ... ultimately constrains the DPS processing window ...".

- (a) What percentage of each night's mail is "late arriving mail," as you have here used that expression?
- (b) Does late arriving mail fall outside of the cut-off times as reflected in current service standards?
- (c) If late arriving mail were withheld until the next day, what would be the increase above your four hours estimate in the DPS processing window with current overnight service standards?
- (d) What increase in DPS utilization rates would accompany the proposal in part c. above, and how many DPS machines could be eliminated as a result?

**RESPONSE**

- A. I have not performed an analysis that would provide a basis for quantifying this phenomenon. The operating plans are not standardized today. Each plant's sort plans have different clearance times, depending on the dispatch of value trip to the delivery unit.
- B. No. Late arriving mail, in this context, is volume arriving close to the end of the operating window.
- C. Holding "late arriving" mail to the next day changes the service standard for that pair, and thus it is a service standard change expanding the window.
- D. See the response to part C. Late arriving mail can not be held to the next day while still maintaining service standards. Thus, the assumption laid out in the question describes an environment in which service standards are changed. I am not familiar with the term "DPS utilization rates." If the question is referring to DBCS utilization rates, since the hypothetical requires service failure, a response cannot be provided since the mail processing windows are still constrained to maintain current service standards.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-15**

On page 5, lines 16 – 22, you state that your scoring tool “allows a combination of assumptions and outputs” and a “worksheet that allows the modeler to run many scenarios.”

- (a) By “combination” do you mean solely various time allocations of a full extra day to process FCLM as between transportation functions and mail processing functions?
- (b) If your answer to a. was “yes”, please explain why you limited the flexibility of your model so that it could not look at alternative operating windows for Single Piece FCLM specifically and FCLM generally.
- (c) If your answer to a. was “no”, please explain how to use your scoring tool to evaluate the increase in efficiency by increasing the mail processing window using values in between current service standards and an extra 24 hours, e.g. an extra 2 or 4 hours, an extra 6 hours, etc.

**RESPONSE**

- A. No, the model allows all assumptions to interact including operating windows and travel time.
- B. Not applicable.
- C. This tool cannot be used to evaluate efficiency.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-17**

Please refer to your prefiled testimony at page 12, lines 8-10.

Does the expression "reasonable expansion of the 2-day First-Class Mail service standard reach" refer to (a) expanding the two-day area *only* to encompass deliveries formerly served overnight, (b) expanding it *only* to encompass deliveries formerly effected in more than two days, or (c) some combination of (a) and (b). Please explain fully.

**RESPONSE**

None of the above. The expression refers to the fact that the scoring tool suggested 12 hours of cancellation time. If 12 hours of cancellation time were utilized, and the Postal Service began processing incoming volumes at 08:00, it would be difficult for any plant-to-plant pairs to be 2-day. Therefore, in order to allow for expansion of the 2-day service area between plants, as laid out in the proposed rule, the Postal Service looked at modifying the results of the scoring tool.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-18**

- (a) Please fully explain how your model was used, if it was used, to ascertain that by changing drop-off times at Postal Service facilities, one could maintain overnight delivery for Presort mail.
- (b) If the overnight standard for Presort was determined in some other way than your model, please explain fully what that other way used was.
- (c) Did you attempt to replicate this procedure for Single Piece FCLM, that is, change certain entry times, but keep an overnight standard? If not why not? If so please explain fully your conclusions and provide all documentation used or considered in the exercise.

**RESPONSE**

- A. This was not modeled by me or my staff.
- B. It was quickly realized that mailers may be able to presort their mail volume to the destinating service area and may have the capability to enter mail volumes prior to the initiation of incoming primary and DPS processing which are proposed to begin at 08:00 and 12:00 respectively. That would allow presort mailers to enter mail volumes prior to the sort and achieve next-day delivery.
- C. No. I was not asked to model either scenario. The cancellation and outgoing windows have been defined to begin approximately 17:00 and end by 24:30. Mail volumes entered early would still be required to go through this process steps which are not scheduled to begin until after some zones have already been finalized for the next day's delivery.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-19**

- (a) With the growth of online purchases of goods, standard shipping arranged by the vendor via a private company appears in many cases to involve transportation by USPS, but delivery by the private carrier. Did you develop, or have provided to you, information on what percentage of USPS transportation expenditures for parcels is only for such carriage, and how much is for end to end work by USPS from pick-up (or collection) to transportation and delivery? If so, please provide all such information.
- (b) Did you develop, or have provided to you, five year and ten year projections of parcel volume growth for business that entails only the transportation by USPS? If so, please provide them together with an explanation of how they were arrived at.
- (c) Did you develop, or have provided to you, information on how much such business has increased percentage utilization of USPS transportation assets with current service standards, and by how much could it increase utilization rates five and ten years out? If so, please provide all such information.

**RESPONSE**

- (a-c) Outside of the Alaska bypass program, I have confirmed that the Postal Service does not tender packages to private delivery services for delivery to residences and businesses by those firms. The question appears to reflect a misunderstanding of our Parcel Select product, which is used by some postal competitors who tender packages to the Postal Service for "last-mile" delivery. Putting aside the fact that my testimony does not involve cost estimation or volume projections, it goes without saying that I have not developed nor am I aware of cost, volume or operational projections for a non-existent private delivery arrangement.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-25**

You examined network rationalization for “the 48 contiguous states of the United States.” (Page 6, lines 18-19) However, the ORC survey included Hawaii and Alaska. Do you believe network rationalization is (a) unimportant, (b) infeasible, or (c) otherwise inapplicable for Alaska and Hawaii? Please explain your answer fully.

**RESPONSE**

The MS Excel scoring tool was a high level strategic model used as a starting point for discussion. The model used streamlined assumptions and focused on the operations within the contiguous United States through which all but a tiny fraction of domestic mail volume flows. That should not be misinterpreted as implying that network rationalization in Alaska or Hawaii (or the U.S. territories) is unimportant, exempted from examination for purposes of network rationalization or infeasible to implement.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-27**

On page 6 lines 8 – 11, you state that your hypothetical costs are scored, but that they do not represent cost savings estimates for any particular network scenario you have run. Without attaching a number to any hypothetical cost estimate, please explain fully how (or whether) it would be safe to say that, if the hypothetical costs scored in one scenario are lower than the hypothetical costs scored in another scenario, the actual cost savings realized would also be lower?

**RESPONSE**

The costing tool was just a starting point for discussion. The solution was not selected based on the score. It generated discussion to highlight potential opportunities of expanding windows so management could decide on the scenario to pursue. My testimony does not measure or analyze potential or relative cost savings. I have not performed any analysis of potential or relative cost savings. Accordingly, I have no basis for offering an opinion in response to this question.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-29**

On page 8, lines 1 – 9, you discuss what alternative windows were deemed feasible and infeasible.

- (a) Assume only one percent of the mail was collected after the collection processing window ended. Please explain why this small a percentage should lead to disqualification of that network alternative?
- (b) Assume one percent of the mail was processed after its delivery trip left. Please explain why this small a percentage should lead you to deem that alternative infeasible?
- (c) How many scenarios you deemed infeasible would be eligible for consideration as the new network if the cutoff, as regards both late mail situations covered by (a) and (b), respectively, was (i) ten percent late mail rather than zero percent, with the late mail being processed the next day, and (ii) five percent late mail rather than zero percent, with the late mail being processed the next day?

**RESPONSE**

- A. The Postal Service did not consider it appropriate to begin any network scenario with an assumption that some mail volume would fail automatically.
- B. See the response to part A.
- C. This analysis can not be performed as the Scoring Tool only saves feasible results.

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-31**

Please refer to your prefiled testimony at page 9, lines 4-6.

- (a) Please explain fully the derivation of the \$1.80/mile trip rate used there.
- (b) If not fully explained in your answer to (a), please show how this \$1.80/mile trip rate relates to the Highway Contract Route figure of \$2.05/mile used by Postal Service witness Bradley (USPS-T10, pages 35-36).

**RESPONSE**

(A-B) I utilized an aggregate of all HCR data, the calculation by Dr. Bradley

(USPS-T-10) was more refined and relied solely on the intra-P&DC HCR transportation category.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-32**

On page 10, line 5, of your testimony, you allot 0.75 hours for DPS first pass and 3.0 hours for DPS second pass.

- (a) Is this the same period as you describe on page 2 lines 1-3 of your testimony?
- (b) Please explain how you arrived at those numbers (3.75 or 4) and why the total varies from witness Neri's 8 hour estimate for these two passes (see Figure 5, on page 13 of his testimony).

**RESPONSE**

- A. Not confirmed. The scoring tool was a high level model and needed to account for the fact that DPS second pass can not be completed until all volume is run.  
  
The window needed to be allotted to mimic the batch requirement of DPS second pass. For the high-level modeling, time needed to be added to the machine throughput to proxy the queuing of mail into the DBCS.
- B. See the response to GCA/USPS-T4-10(b).

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-35**

On page 10 lines 21-22, you state that "the DPS window was defined at sixteen hours."

(a) Does this mean sixteen compared to your current estimate of four, or witness Neri's estimate of eight, or in addition to today's standard(s)? Please fully explain your answer.

(b) Suppose you define a DPS window as a continuous mathematical function between the current window and your defined sixteen hours. By how much could the DPS window increase (from a base of 4 or 8 hours) without having to eliminate overnight delivery for Single Piece FCLM? Please show all calculations and output from model runs in answering this question.

**RESPONSE**

- A. The DPS window as defined on page 10 lines 21-22 of my testimony includes both Delivery Point Sequence First Pass and Delivery Point Sequence Second Pass.
- B. No such analysis has been performed. The premise of a continuous mathematical function is at its foundation an incorrect assumption, as DPS processing is not a continuous function. DPS processing is contingent upon both mail volumes and delivery points. See the response to GCA/USPS-T3-6 for a hypothetical example. The DPS window can only increase if either mail volumes are available earlier, or mail volumes are provided to delivery units later. The first necessitates the elimination of overnight standards, the latter would mean carriers on the street later, which could lead to later arrival time of mail volumes at the end of the day, which pushes the outgoing window back later, perpetuating the required capacity constraint between the collection and delivery times. There is only so much time between collection and delivery.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-36**

Please refer to page 11, lines 4-20, of your prefiled testimony.

Please describe fully the method of evaluating each model run on the six feasibility points set out in that portion of the testimony. In particular, please explain (i) whether each such point was a binary "pass/fail" test or involved some 16 scale of possible values (and if so, how that scale functioned), and (ii) whether all six feasibility points were of equal weight in evaluating the model run.

**RESPONSE**

The six point scale is binary. If any one factor failed the scenario was considered infeasible.

1. Last Collection Trip Arrives Before Collection CET- If volume arrived after the operating window's Critical Entry Time, the volume arriving would not have sufficient time to be processed that night and thus would not be able to meet the service standard. Thus, if this is false, then the scenario is infeasible.
2. Last Outgoing Trip Arrives Before Incoming CET—mail arriving at the destination processing plant needs to arrive in the operating window. If not, the volume arriving after the CET would not have sufficient time to be processed in the operating window and would most likely not be processed until the next day, and thus not meet the service standard. Thus, if this is false, then the scenario is infeasible
3. Incoming CT is after Incoming ST—The clearance time or end time of the operating window needs to be greater than the start time. If not, there is no operating window for the mail to be processed. Thus, if this is false then the scenario is infeasible.
4. Trip to 918 starts before the 918 is scheduled to start – mail will arrive at Delivery Point Sequence processing site prior to the start of the DPS window. Otherwise, there

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**RESPONSE to GCA/USPS-T3-36 (continued)**

is no mail to process on the equipment. Thus, if this is false, then the scenario is infeasible.

5. AFCS needed for cancellation < current inventory—One assumption was not invest in new equipment. The current inventory must be greater than the equipment required to process the mail in the proposed network. Thus, if this is false, then the scenario is infeasible.

6. Total Automation needed < current inventory—One assumption was not invest in new equipment. The current inventory must be greater than the equipment required to process the mail in the proposed network. Thus, if this is false, then the scenario is infeasible.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-37**

On page 11, lines 19 and 20, by the terms "total letter automation" and "automation inventory" what types and quantities of automation machinery are you referring to?

**RESPONSE**

Please refer to Library Reference 14. On the worksheet entitled, "Calculations", cell E56 provides the formula which refers to the "Assumptions" tab cell D47. Automation equals the sum of CIOSS, CSBCS, DBCS, DIOSS on the "Assumptions" tab.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-38**

On page 11, lines 28-31, would you agree that "operating windows can be expanded" without having to eliminate overnight delivery for Single Piece FCLM? If your answer is anything other than an unqualified "yes" please explain in quantitative detail from your model why that is so.

**RESPONSE**

No, operating windows could only be expanded if overnight service standards were relaxed. The operating windows are defined by the beginning and end of processing. The process cannot begin until all mail volume committed for that day is available to be processed. This means, under today's service standards, the Postal Service must wait for all mail volumes from the plant service area, as well as the overnight partners to be available for sequencing. Until that mail volume is available, the Postal Service cannot process it. As detailed in the response to question GCA/USPS-T3-6, DPS is not just driven by mail volume, but also delivery points. Accordingly, volume declines may not allow for consolidation of schemes on a given machine set due to the time constraints imposed by an overnight service standard. The only way to expand the mail processing window under the overnight service standards would be to have all mail volumes committed for that day available earlier. This would require moving collection times up, or eliminating plant-to-plant overnight service.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-39**

- (a) What percentage of Single Piece FCLM actually requires a cancellation step at a mail processing facility, as distinguished from permit imprint, IBI or metered single piece, PC postage and any other Single-Piece postage that does not require cancellation?
- (b) For all SP FCLM that does not impose a cancellation constraint, why would network realignment not allow for overnight delivery of such mail?

**RESPONSE**

- A. I am informed that such information may be found in Docket No. ACR 2011, USPS-FY11-14, which contains single-piece First-Class single-piece mail volumes by shape and indicia.
  
- B. The Postal Service plans on beginning Outgoing Primary operations at 17:30. The mail volume would not be sorted through that operation prior to the initiation of Incoming primary and DPS sequencing. The Postal Service also is proposing to begin Incoming Primary operations at 08:00 AM, and DPS sequencing at 12:00 PM. Single piece mail volume is not available at that time to be processed for the next-day delivery.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-1** Confirm that the Scoring Tool referenced in your testimony:

- (a) provided results based on geometric functions or simple feasibility calculations;
- (b) did not provide optimized results;
- (c) the Scoring Tool provided upwards of three million results as to feasible operating windows; and
- (d) you reduced the initial list provided by the Scoring Tool to a list of twenty-five potential operating windows for consideration.

If not confirmed in all parts, please explain how this statement is incorrect.

**RESPONSE**

- A. Confirmed. The cells (N8, N12, L18, L19, L22, L23, M20, N20, M21, and N21) shaded in gray on the *Calculations* tab use geometric functions.
- B. Confirmed.
- C. Not confirmed. Over 3 million iterations were run. Not all results were feasible.
- D. Not confirmed. I did not reduce the initial list.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-2** Describe in detail the process by which the initial results from the Scoring Tool were pared down and ranked, and how the final operating window was selected; in particular, identify: (1) the names, titles, and areas of expertise for all individuals involved in the paring down/ranking/selection process; (2) which operational parameters were considered in the paring down/ranking/selection process; and (3) the stages at which cost was considered in the paring down/ranking/selection process and how cost was considered at that stage to rank/pare down/select from the results.

**RESPONSE**

The model was run. The modeler reviewed the results and modified the input assumptions to narrow the scope of solutions. Many results returned a longer DPS window than today. The DPS window was locked down to reduce the number of iterations the model produced. Costs were not considered. This tool was a starting point for discussion. My testimony does not measure or analyze potential or relative cost savings. I have not performed any analysis of potential or relative cost savings. Accordingly, I have no basis for offering an opinion in response to this question. The modeling team has collectively over 20 years of modeling experience.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-3** Describe in detail how you arrived at the top 25 operating window proposals in the scoring tool when the DPS “operating window was set at sixteen hours,” what factors were considered in paring the list to 25, and how you selected the final operating window from the “top 25.” (USPS-T-3, at 12.)

**RESPONSE**

I did not arrive at the top 25 results. As stated in my testimony on page 12 lines 1-12, “All other operating window start times, but not the run-time, were then adjusted to align with the change in cancellation. So the final operating windows cannot be found within the tool.

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-4** In Response to PR/USPS-T3-1(d) you state that the proposed utilization rate by tour “uses the same operational time as in the response to question [PR/USPS-T3-1]c and spreads that operational time over the reduced equipment set and reassigns the processing to the respective tour based on the Network Rationalization concept.” Please: (a) explain how you derived the numbers for the “reduced equipment set”; (b) explain what you mean by “reassigns the processing to the respective tour based on the Network Rationalization concept,” including in your answer what the “respective tour” is and how this affects your calculation; and (c) provide the calculations supporting this chart.

**RESPONSE**

The Public Representative’s question was about a future network that is not yet implemented. To generate the requested information about a future state, assumptions needed to be made. The basis for the equipment set used is provided in USPS Library Reference 37 and my testimony (USPS-T-3) details how this is created. Mail processing operations are organized to be conducted on specific shifts or tours.

Accordingly, the model used the following -- (Tour 1: 12:00 AM to 08:00 AM, Tour 2: 08:00 AM – 04:00 PM, Tour 3: 04:00 PM – 12:00 AM). The run-time hours required to process the volume need to be assigned to the future processing window.

This was calculated using the End of Run total time for Fiscal Year 2010. This total time was divided by the number of operating days to get the average run-time by day. The End of Run tour flag was used to tie the run time to a tour. Tomorrow, the planned cancellation operating window will run entirely during Tour 3. So all future run-time was reassigned to Tour 3 and the run-time was divided by the equipment set projected.

CIOSS, DIOSS, AFSM100, APPS, FSS, SPBS/APBS there was no change to operating plan and thus, the run-time was assigned to the same tour and divided by the future proposed equipment set.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-5** In Response to PR/USPS-T3-1(c) you provide a chart entitled "Utilization By Tour and Equipment Type" which states that it is sourced from EOR FY2010 data. Please explain the relationship of these calculations to the utilization percentages calculated by Witness Frank Neri in Response to PR/USPS-T4-1(b) in USPS-LR-44, Copy of LR-44(Neri).xls, Worksheet: "Summary," including in your answer whether you calculated utilization percentage in the same way as witness Neri by dividing the "Operating Time" by the "Window," where Operating Time is defined as the sum of the Idle Time, the the Run Time and the Down Time and, if not, why you used a different method of calculating utilization percentages.

**RESPONSE**

Given the question the information by tour, a different approach was taken to address the question. Since this is all based off of tours (Tour 1: 12:00 AM to 08:00 AM, Tour 2: 08:00 AM – 04:00 PM, Tour 3: 04:00 PM – 12:00 AM). As stated in the response to PR/USPS-T3-1(c), "The Utilization rate is calculated per tour by summing the difference between the end-time and start time of each machine and dividing the sum by the product of the total number of machines and 8 hours". Also, see the response to NPMHU/USPS-T3-4.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-6** Please provide the names, titles, and areas of expertise of all individuals who customized the LogicNet software in order to calculate Step Two's optimization model. In addition, provide all settings that were altered from their default state and how the decision was made to alter or not to alter that default setting.

**RESPONSE**

See the response to GCA/USPS-T3-7(a).

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-7** Please refer to USPS-LR-15, 15\_LogicNet Model.xls, Worksheet: "OptimizationParameters."

- a. Please confirm that "Feasibility" defaults to a setting of "Low." If not confirmed, please explain and identify the individual who changed the setting to "Low."
- b. Please explain what "Feasibility" means within the context of this model and explain the impact, that a "Feasibility" setting of "Low" had on calculation of the LogicNet optimization model.

**RESPONSE**

- A. Not confirmed. "Moderate" is the default setting. The feasibility setting was changed to "Low" so that the solver would quickly determine whether the problem violated basic feasibility rules.
- B. According to Logic Net 7.1 online help, Feasibility Analysis set at "Low" means the Solver will determine quickly whether the problem has violated basic feasibility rules and report back to the user if such rules have been violated. Other feasibility settings go through additional feasibility checks, provide the user feedback if feasibility errors exist, and derive partial solutions where no full solution exists. Though I do not have specific knowledge of the heuristics used in the Logic Net Optimizer, I do not think the Feasibility Analysis has an impact on feasible solutions. Instead, it is a setting used to determine how in-depth of a feasibility analysis is to be performed before the problem goes to the Optimizer.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-8** Please refer to USPS-LR-15, 15\_LogicNet Model.xls, Worksheet: "OptimizationParameters."

- a. Please confirm that "Feasibility Emphasis" defaults to a setting of "Balance between feasibility and optimality." If not confirmed, please explain and identify the individual who changed the setting to "Balance between feasibility and optimality."
- b. Please explain what "Feasibility Emphasis" means within the context of this model and explain the impact that a "Feasibility Emphasis" setting of "Balance between feasibility and optimality" had on calculation of the LogicNet optimization model.

**RESPONSE**

- A. Confirmed.
- B. According to Logic Net 7.1 online help, Feasibility Emphasis provides different ways to configure the Optimizer that may improve run times. LogicNet recommends using "Balance between feasibility and optimality." I do not have knowledge of the heuristics used by the LogicNet Optimizer and cannot provide an assessment of the impact this option had on the results.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-9** Please refer to USPS-LR-15, 15\_LogicNet Model.xls, Worksheet: "OptimizationParameters."

- a. Please confirm that "Apply Aggressive Scaling" defaults to a setting of "TRUE." If not confirmed, please explain and identify the individual who changed the setting to "TRUE."
- b. Please explain what "Apply Aggressive Scaling" means within the context of this model and explain the impact, if any, that a "Apply Aggressive Scaling" setting of "TRUE" had on calculation of the LogicNet optimization model.

**RESPONSE**

- A. Confirmed.
- B. According to Logic Net 7.1 online help, Apply Aggressive Scaling makes the Solver more aggressive in overcoming numerical scaling problems in a model. I do not have knowledge about the heuristics used by the LogicNet model and can not provide an assessment of the impact this option had on the results.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-10** Please confirm that the LogicNet optimization model mapped the distance from a 3-digit ZIP Code as originating from the geographic center of the ZIP Code, rather than the population centroid, facility location, or some other location. If not confirmed, please explain why this statement is incorrect.

**RESPONSE**

Confirmed.

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-11** Please describe in detail how the determination regarding what location should be used within a 3-digit ZIP code to calculate distance for the mapping of the optimization model was made, including in your answer the individual(s) that made this decision, and what factors were considered in making this determination. .

**RESPONSE**

Given the two methods, Geographical and Population Centroid, Geographic Centroid evenly weights the entire geography, reducing the number of outlying Post Offices for which the Postal Service must reach every day. In addition, Geographic centroid was deemed appropriate in previous analysis by subject matter experts. This decision was carried forward in this modeling effort.

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-12** On page 18 of your testimony you state that “The total workload was divided by equipment throughput and operating window.” In addition, on page 19 of your testimony you provide Figure 1: Model Equipment Throughput. Please describe in detail the statistics and calculations on which you relied in reaching these figures.

**RESPONSE**

The result was not the product of a statistical analysis, but was based on consultations with mail processing management subject matter experts. Based on the new operating concept, current throughputs cannot be used.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-13** Please confirm that the throughput numbers you used in the optimization model were national averages that did not consider site-to-site variations in productivity. If not confirmed, please explain why this statement is incorrect.

**RESPONSE**

Not Confirmed. There was no site-to-site variation, but the throughputs used were not national averages. As stated on page 7 of my testimony, "The national throughputs were calculated using pieces sorted on a machine and the machine's run-time from End of Run (WebEOR). These data were used as a benchmark to set throughput expectations that would occur under the new operating environment where all mail volume is available prior to initiation of a sorting operation."

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-14** In Response to PR/USPS-T3-1(b) you provide a chart—“Maximum Throughput By Tour and Equipment Type with 3 Minutes Idle Time per Hour.” Please confirm that this chart and Figure 1 on page 19 of your testimony are based on the same statistics, calculations, and data. If not confirmed, please explain.

**RESPONSE**

Not confirmed. Future throughput will differ from today's based on the adjusted operating window. See the response to NPMHU/USPS-T3-12.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-15** Please refer to USPS-LR-34, LR\_78402.USPS.34.xls, Worksheet: "USPS Modeling Facility List."

- a. Please confirm that approximately 327 sites, as indicated in Column H, are not "MODS sites," such that the model did not have MODS data for these sites in calculating the LogicNet optimization model. If not confirmed, please explain.
- b. Please describe in detail the process by which the model incorporated these sites in the absence of 2010 MODS data and how the absence of MODS data affected the calculation of the LogicNet optimization model.
- c. Please confirm that all 327 sites indicated in Column H as missing MODS data are small sites, as defined in footnote 18 of your testimony as sites with a square footage from 0 to 210,000 square feet. If not confirmed, please explain.

**RESPONSE**

- A. Confirmed. Approximately, 327 sites were not included in Fiscal Year 2010 MODS sites.
- B. Some of these sites were excluded from the modeling. See footnote 15 of USPS-T-3 and my response to APWU/USPS-T3- 22 for a detailed explanation.
- C. Not confirmed. There is at least one facility over 210,000 square feet.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-16** Please refer to USPS-LR-34, LR\_78402.USPS.34.xls,  
Worksheet: "USPS Modeling Facility List."

- a. Please confirm that approximately 368 sites, as indicated in Column I, are not "eMARS sites," such that the model did not have eMARS data for these sites in calculating the LogicNet optimization model. If not confirmed, please explain.
- b. Please describe in detail the process by which the model incorporated these sites in the absence of eMARS data and how the absence of these data affected the calculation of the LogicNet optimization model.
- c. Please confirm that all 368 sites indicated in Column I as missing eMARS data are small sites as defined in footnote 18 of your testimony as sites with a square footage from 0 to 210,000 square feet. If not confirmed, please explain.

**RESPONSE**

- A. Confirmed. Approximately 368 sites were not included in the eMARS data used for witness Bratta's testimony.
- B. The eMARS data were not used for the modeling discussed in my testimony.
- C. In general, the 368 are small facilities, but there can be exceptions for annexes.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-17** Please refer to USPS-LR-34, LR\_78402.USPS.34.xls, Worksheet: "USPS Modeling Facility List." On page 17 of your testimony you state that "The Logic Net optimization model activated 177 processing facilities—168 with flat processing operations, 163 with letter sorting operations, and 152 with package and bundle sorting operations."

- a. Please confirm that these 177 facilities correspond to the approximately 198 facilities demarcated with a "Y" in Column F "Model Opens" in USPS-LR-34.
- b. If confirmed, please explain the discrepancy between these two figures.
- c. If not confirmed, please explain.

**RESPONSE:**

- A. Confirmed.
- B. Library Reference 34 includes NDCs as well as other facilities that would remain active in the proposed network, but were outside the scope of this modeling effort.
- C. Not applicable.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-18** In the 2006 iteration of the proposal to reduce postal sites, the Postal Service utilized a simulation model to test the feasibility of its optimization model. Please:

- a. Confirm that a simulation was not used to test the feasibility of either the network model developed by the LogicNet software, or the proposed redesigned network that resulted from your process after consultation with postal management;
- b. Explain in detail whether a simulation model was considered to test feasibility of the optimization model in this instance, including by identifying the individual(s) who made the determination and the reasons for the determination; and
- c. If a simulation model was not considered, please explain why it was not.

**RESPONSE**

END identified opportunities for AMP consolidations, but few if any of those were entire plant shutdowns, in contrast to today.

- A. Confirmed.
- B. I am not aware of a discussion regarding this topic.
- C. The Postal Service utilizes such guidelines as are reflected in the USPS Handbook PO-408 AMP for the more detailed analysis of the proposed consolidations. Since 2006, the Postal Service has initiated and successfully implemented many AMP consolidations. Accordingly, the Postal Service plans to continue relying on such facility-specific study processes to conduct the detailed operational analysis associated with mail processing plant consolidation opportunities.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-19** Please explain how the LogicNet network optimization model considered any other characteristics of each plant other than square footage in calculating site-specific capacity and feasibility of projected site-specific capacity—e.g., the length of the building, number of docking ports, total square footage of dock space, the number of 53' trucks that can be docked at any one time, and the number of access roads to the facility's docking space. If other characteristics were not considered, please provide the name and title of the individual who made this determination and why they made the decision to not consider these factors in creating the optimization model. Additionally, please provide an explanation as to how exclusion of these factors could have affected the model and please detail any steps taken during the modeling process to mitigate these effects.

**RESPONSE**

LogicNet did not consider the other factors mentioned (length of the building, number of docking ports, total square footage of dock space, the number of 53' trucks that can be docked at any one time, and the number of access roads to the facility's docking space). The LogicNet results were used as a starting point for discussion with the Area offices. It is a model and thus, these factors would be considered outside the model. I am not aware if there was a discussion whether to include the variables listed in the question as part of the model. In any event, they all can be evaluated outside the model. Incorporation of these variables in the model might have caused different node selections. However, since the model results were just a starting point for discussion among postal mail processing and transportation subject matter expert, I cannot assess the degree to which the network proposal subjected to such facility-specific review processes as are contained in the Handbook PO-408 process as a result of those discussions would have been different had the model incorporated the additional variables listed in the question.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-20** Identify all factors by which the LogicNet optimization model incorporated the cost of increased risk and uncertainty into its calculations—e.g., risk of delay or disruption inevitable with greater travel distance, risk of mechanical failure based on increased productivity stress on the equipment and vehicles, etc. If the LogicNet model did not consider increased risk, please identify the individual who made this determination and explain why these risks were not considered.

**RESPONSE**

The LogicNet model did not consider these factors mentioned (risk of delay or disruption inevitable with greater travel distance, risk of mechanical failure based on increased productivity stress on the equipment and vehicles). It is a deterministic model, not a stochastic model. Different modeling techniques would need to be used to incorporate these factors. These factors can be evaluated outside the model and were not included. I am not aware of a discussion on whether to include them.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-21** Describe why you choose the figure 200 miles in setting the parameters for the optimization (i.e., "each 3-digit ZIP Code workload could be transported up to 200 miles to be processed by a plant.") (USPS-T-3, at 13.)

**RESPONSE**

See the response to PR/USPS-T3-24.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-22** Describe the basis for the assumption in your model that inflating the Handbook AS-504, *Space Requirements* by an additional twenty percent square footage would “ensure there was adequate staging room under this new concept when all volume is available at the start of the windows.” (USPS-T-3, at 18.) Describe in detail all statistics and calculations on which you relied in reaching the conclusion that twenty percent inflation was sufficient to provide adequate staging room.

**RESPONSE**

The percentage used only was an initial proxy for the staging required. As stated at USPS-T-3 at page 9, footnote 10, “Dock space and staging were not a function of determining operating windows. The staging square footage requirement is accounted for in the strategic level capacity modeling and detailed equipment modeling sections later in my testimony.”

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-23** Please confirm that the LogicNet optimization model calculated site capacity based simply on total square footage and did not round down capacity in order to exclude calculations of partial equipment. If not confirmed, please explain why this is incorrect. If confirmed, please describe in detail the process by which all sites that were activated based on site capacity calculation that included partial equipment were adjusted in the model. If these sites were not adjusted or only some sites were adjusted, please explain.

**RESPONSE**

Confirmed. No adjustments were made within LogicNet. The LogicNet 3-digit ZIP Code processing site mapping was used. This mapping allowed the 3-digit workload to be summed to the proposed processing site. The workload numbers by plant were then used to calculate equipment as detailed in my testimony.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-24** Referring to your discussion of opening costs used in the optimization model:

- a. Please confirm that the opening costs for each facility, as described in your testimony at note 17 and defined as the rental cost for leased facilities or a calculated opportunity cost for an owned building, is the same calculation as was used by witness Smith to calculate the savings resulting from closing down facilities that were not included in your redesigned network, see USPS-T-9 at page 21.
- b. If ((a) is not confirmed, please explain the difference between the calculations and why different calculations were used;
- c. Explain whether the LogicNet least-cost optimization model accounted for the fact that the Postal Service will not be able to sell or terminate the lease for some large percentage of buildings identified for closure, as explained in the testimony of witness Smith at page 20.

**RESPONSE**

- A. Not confirmed.
- B. The modeling used high-level strategic assumptions. For the savings estimates for the case, a refined analysis was required.
- C. It did not. The inability to divest of a building or terminate a lease early was not included in the LogicNet model.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

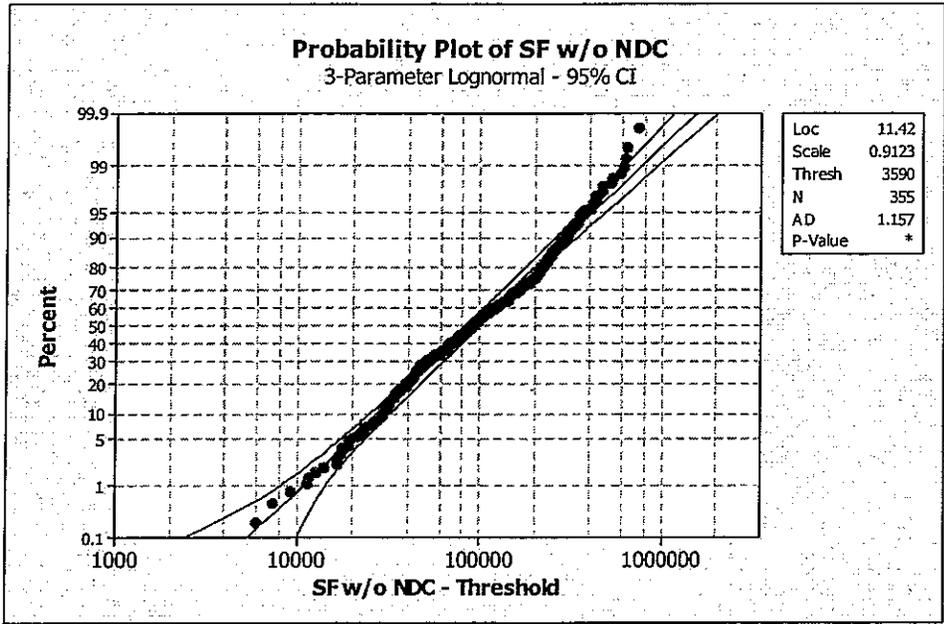
**NPMHU/USPS-T3-25** In footnote 18 of your testimony you state that “[t]hree groups were formed: (1) Buildings with square feet from 0 to 210,000, (2) Buildings with square feet from 210k to 450k, and (3) Buildings with square feet from 450K to 750K.” The model then considered the slope of the polynomial function separately for each group to calculate cost per piece based on actual workload processed at each facility. Please describe in detail: (a) why three different groups were considered in the calculation of cost per piece; (b) identify the individual who made the determination that square footage was the ideal basis on which to differentiate these three groups and calculate cost per piece accurately; and (c) describe in detail all statistics and assumptions on which you relied in determining that group one should encompass buildings with a square footage of 0 to 210,000, group two should encompass buildings with a square footage of 210K to 450K, and group three should encompass buildings with a square footage of 450K to 750K.

**RESPONSE**

- (a) Due to economies of scale, the model divided the building size into categories. The total of three groups was deemed reasonable by the modeling team. In previous modeling efforts, like END, facility size was shown to be related to processing cost, with larger facilities showing greater economies of scale. For this effort we mimicked the same methodology, creating three groups of facilities based on square footage.
- (b) Contrary to the implication in the question, there was no determination that square footage was "the ideal basis on which to . . . calculate cost per piece accurately." It was deemed a reasonable basis, given the limited role that modeling would play in determining the future network.
- (c) Limited documentation was preserved for this step and is reflected in the attached table.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY

Attachment to response to NPMHU/USPS-T3-25



**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-26** Please confirm that the “cost per piece based on workload processed at the facility” calculation on pages 14-15 of your testimony, and described in depth in footnote 18, draws from the same cost data set as that utilized to determine “institutional cost” and “volume variable cost” by Witness Bradley (USPS-T-10) in his testimony on pages 1-10. If not confirmed, please explain why each witness found it necessary to draw on a separate data set to calculate costs per site.

**RESPONSE**

Not confirmed. The modeling used high-level strategic assumptions. For the savings estimates for the case, a refined analysis was required.

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-27** Describe in detail all changes made to the network design arrived at by the LogicNet least-cost optimization model during the local input and model revision step of your process, including information for each facility added or removed from the consolidation list at this stage, what that facility was added or removed.

**RESPONSE**

I was an observer at some of the discussions. My recollection is that Headquarters and Area subject matter experts took the model results and made modifications based on such considerations as the following:

Plant characteristics: efficiency, age, layout (number of floors, docks, staging space), size, location function (current processing capabilities).

ZIP Code mapping: logistics to the plant are too challenging (over a bridge or mountains, congested traffic, closer to another plant; too much volume; mapped to different facility but current facility remains

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-28** Identify all individuals and their areas of expertise who were consulted with during Step Three "Local Input," and explain the selection process by which individuals were selected to provide local input.

**RESPONSE**

I was an observer at some of the meetings. I was not involved in the participant selection process. My understanding is that, in general, from headquarters the Vice President of Network Operation and his direct reports participated directly. The field participants who were directly involved varied by Area office. In some cases, Area mail processing and transportation managers participated directly along with their senior management. For other Areas, only senior management participated directly, but consulted with subordinate processing and transportation managers.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY**

**NPMHU/USPS-T3-29** Confirm that none of the constraints considered by the LogicNet optimization model were used to constrain modifications to the model in Step Three "Local Input." If not confirmed, explain why this is wrong.

**RESPONSE**

Not confirmed. One such example is the distance rule was not always followed. There were some cases where the areas wanted to evaluate the impact of processing 3-digit ZIP Code areas beyond what was allowed in LogicNet.

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**NPMHU/USPS-T3-30** Identify any efforts made in Step Three “Local Input” in order to compensate for effects that changes to the portions of the model based on local input might have on related aspects of the optimized model—e.g., mitigate the impact that deactivating a site that the model had activated would have on nearby site or 3-digit ZIP Codes that previously relied on the activated site.

**RESPONSE**

If nodes were deactivated, the 3-digit ZIP Code was reassigned to another node. The volume associated with that 3-digit ZIP Code was also remapped and the equipment recast to ensure the new node had the processing capacity required based on the assumptions we modeled.

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**NPMHU/USPS-T3-31** Please confirm that no sites were added or removed from the model during Step Four as compared with the network developed during Step 3 of your process. If not confirmed, please describe all changes that were made to the model, identify the individual who made that change, and describe in detail how the determination to alter the model was made.

**RESPONSE**

Not confirmed. It is possible, based on the refined equipment sets that processing nodes were adjusted. There is no documented record of these modifications. Again, these findings are just the basis for discussion. The PO-408 and other facility review processes are designed to vet the potential consolidations, as required.

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**NPMHU/USPS-T3-32** On page 21 of your testimony, in regard to the “Equipment Determination” calculation in Stage Four, you state that “[a]fter the expert feedback was incorporated, the resulting 3-digit ZIP Code assignments were used to conduct site-specific analyses that included origin mail arrival profiles, as well as lunch and break factors, to generate actionable equipment sets as a starting point for discussion.” Please confirm that a site-specific analysis was completed for all 3-digit Zip Code assignments considered by the LogicNet optimization model. If not confirmed, please explain. In addition, please provide a Library Reference of all sites at which a site-specific analysis was conducted and the results of that site-specific analysis.

**RESPONSE**

Not confirmed. The results of the site-specific analyses can be found in USPS Library Reference 37. The site-specific analyses was conducted on the proposed processing nodes that resulted from the previous steps including the local insight.

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**NPMHU/USPS-T3-33** On page 23 of your testimony, in regard to the "Equipment Determination" calculation in Stage Four, you state that "[t]he throughput used for the AFCS is 22,500 pieces per hour which factors in lunch and breaks" and that "[t]he throughput used for the outgoing primary on the DBCS is 23,200 pieces per hour which included lunch and break factor." In addition, on page 25 of your testimony, you state that "[t]he DPS first pass throughput was 27,500 pieces per hour and the DPS second pass throughput was 30,000 pieces per hour." Please describe the calculations on which you relied in reaching the AFCS, DBCS, and DPS throughput assumptions. In addition, please explain any difference in throughput assumptions between the Stage 4 assumptions as described above and the throughput assumption used for that particular piece of equipment by the LogicNet model as described in Figure 1 on page 19 of your testimony.

**RESPONSE**

These throughputs were based on consultations with Headquarters mail processing experts and not on a specific calculation. The throughputs were refined in "stage 4" after receiving feedback from the field. The assumptions became more conservative. Lowering the throughput increases the required run-time to process the mail volume, thus with a fixed window, additional equipment would be required to sort the mail by the clearance time.

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**NPMHU/USPS-T3-34** On page 30 of your testimony, in regard to the "Equipment Determination" calculation in Stage Four, you state that "[o]utgoing VAP was based on a hub collection concept." Please confirm that this is the same hub concept as was described on page 8 of your testimony in regard to the Scoring Tool. If not confirmed, please explain and describe in detail any assumptions or calculations on which the "hub collection concept" was based.

**RESPONSE**

Not confirmed. In the scoring tool, not specific nodes were defined. By this stage, the nodes were selected and driving times could be better estimated on a site-specific basis.

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**NPMHU/USPS-T3-35** On page 14 of your testimony, you state that “[n]o capital investments were allowed in the model in light of the Postal Service’s current cash flow situation.” (USPS-T-3, at 14.) Confirm that this statement applies to all stages of modeling and is not specific to the Step Two LogicNet network optimization model. If not confirmed, please explain how this is incorrect.

**RESPONSE**

Not confirmed. If sites were deemed over capacity based on the ZIP Code processing node assignment, those issues were raised and analysis on how to proceed would be completed through site-specific facility review processes, such as are outlined in the Handbook PO-408.

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**NPMHU/USPS-T3-36** On page 34 of your testimony you state that “[f]or the proposed activated nodes, the network will require the following equipment: 617 AFCS; 2,995 DBCS (including DIOSS); 522 AFSM100; 100 FSS (9 currently at NDC); 205 SPBS/APBS (22 at NDC/ISC); and 74 APPS (12 at the NDCs). Please provide a Library Reference to support this statement, including all equipment required for the proposed activated nodes; of that equipment, which equipment will need to be moved from its current facility; the facility to which the equipment will need to be moved; the distance between point of origin and destination facility; and a list of all equipment that will need to be disposed of in order to implement the final proposed model.

**RESPONSE**

USPS Library Reference 37 has the equipment list above. Given that each site-specific consolidation needs to be studied through a facility review process, such as is outlined in the Handbook PO-408 process, a detailed plan of what equipment needs to move has not been generated at this time. Site-specific equipment redeployment and disposal determinations are not included in the modeling exercise and are made as consolidations are determined through the applicable facility review processes and implemented.

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**NPMHU/USPS-T3-37** Please state whether you or anyone else at the Postal Service has run any models or simulations on the network that would result if the decisions announced by the Postal Service on February 23, 2012, and published at <http://about.usps.com/what-we-are-doing/our-future-network/assets/pdf/communications-list-022212.pdf> are implemented. If the answer is yes, please describe those models or simulations, and provide associated Library References. If the answer is no, please state whether there are any plans to do so.

**RESPONSE:**

Any additional analysis was conducted under the applicable facility-specific consolidation opportunity review process such as the USPS Handbook PO-408 AMP guidelines. See my response NPMHU/USPS-T3-18(c).

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**NPMHU/USPS-T3-38** Please explain what steps the Postal Service has taken, or will take, to ensure that the network resulting from the AMP decisions announced on February 23, 2012, is a "rationalized" network that can process and distribute mail within the proposed revised service standards. If any such steps have been taken, please provide supporting documentation in the form of a library reference.

**RESPONSE:**

See my response NPMHU/USPS-T3-18(c). Facility-specific consolidation feasibility review processes such as the USPS Handbook PO-408 guidelines will be employed.

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**NPMHU/USPS-T3-39** Please confirm that the distribution network developed by the LogicNet model would not apply to the network that would result if the decisions announced on February 23, 2012, are implemented. If not confirmed, please explain how this network developed by the computer model would apply, given the differences between the network developed by the model and that resulting from the decisions announced on February 23, 2012.

**RESPONSE:**

Confirmed. The LogicNet modeling was the starting point for discussions in the summer of 2011 that led to the development of the September 2011 list of consolidation opportunities that were studied. The study results were announced on February 23. Thus, the LogicNet model was an early decision support tool, not a decision making tool.

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**NPMHU/USPS-T3-40** Please explain whether any computer modeling software will be used in the process of developing a distribution network in the network that would result if the decisions announced on February 23, 2012, are implemented, and, if so, what the role of that software will be.

**RESPONSE:**

See my response NPMHU/USPS-T3-18(c). Facility-specific consolidation feasibility review processes such as the USPS Handbook PO-408 guidelines and subsequent implementation do not involve additional network modeling.

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**NPMHU/USPS-T3-41** Please explain what steps, if any, the Postal Service has taken to resolve irrationalities identified in the model by the Step 4 (Deeper Dive Analysis)—e.g., calculations of optimality in the LogicNet model based on impossibilities like partial machines, in arriving at the network announced by the Postal Service on February 23, 2012. If no steps have been taken, please identify the individual(s) who made the determination that modification of the model based on Step 4 was no longer needed and describe in detail the process by which the determination was made.

**RESPONSE:**

See my response NPMHU/USPS-T3-18(c). Equipment deployment determinations are resolved through facility-specific review processes such as the USPS Handbook PO-408 guidelines.

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**NPMHU/USPS-T3-42** Please confirm that the Postal Service completed the building layout review and approval process described on page 18, footnote 25 of your testimony and incorporated this analysis into the network announced by the Postal Service on February 23, 2012. If not confirmed, please identify the individual(s) who decided that the building layout review was no longer necessary and describe in detail the process by which this determination was made. If confirmed, please provide the documents associated with this review as a Library Reference.

**RESPONSE:**

See my response NPMHU/USPS-T3-18(c). As indicated in the footnote cited in the question, the review of facility floor space and the feasibility of locating specific mail processing operations at particular sites are matters examined during facility-specific review processes such as the USPS Handbook PO-408 guidelines.

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**PR/USPS-T3-1**

Please refer to USPS-LR-14, 14\_Mail Processing Window Scoring Tool.xls, Worksheet: "Assumptions."

- a. Please confirm that the current total number AFCS machines in use is 1,026. If not confirmed, please explain.
- b. Please list the maximum throughput per hour of each machine in Cells C48:C76, assuming the machine is idle 3 minutes (5 percent) each hour.
- c. What is the current utilization rate of each of the machines listed in "b", by tour?
- d. What do you expect the utilization rate of each of the machines listed in "a", by tour, if the Postal Service's proposal is implemented?

**RESPONSE**

- a. Not confirmed. This number represents the total AFCS equipment in the Electronic Maintenance Activity Reporting and Scheduling. This includes machines that are both in use and not in use.
- b. Below is a table of actual 99 percentile throughput by tour of equipment within the scope of the modeling based on actual run-time data of any run that is greater than 10 minutes with the 3 minutes of idle time per hour.

**Maximum Throughput By Tour and Equipment Type with 3 Minutes Idle Time per Hour\***

Equipment	Tour		
	1	2	3
AFCS (Excludes AFCS200)	30,883	31,622	33,502
CIOSS	38,029	32,118	36,342
CSBCS	38,115	38,422	39,696
DBCS	37,668	38,044	38,369
DIOSS	37,762	37,894	37,889
AFSM100	17,375	17,910	17,260
UFSM1000	7,409	8,478	7,815
APPS (Dual Induction)	9,658	8,443	9,398
SPBS	4,601	3,949	4,582

\*Source: FY2010 End of Run

Throughput = round( $\Sigma(\text{Total Pieces Fed})/(\text{Total Run Time in Seconds}) * 1.05) * 3600, 0$ )  
where 3600 convert seconds into hours

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**RESPONSE to PR/USPS-T3-1 (continued)**

- c. The utilization rate is calculated per tour by summing the difference between the end time and start time of each machine and dividing the sum by the product of the total number of machines and 8 hours.

**Utilization By Tour and Equipment Type**

Equipment	Tour		
	1	2	3
AFCS (Excludes AFCS200)	2%	5%	44%
CIOSS	46%	17%	41%
CSBCS	25%	16%	0%
DBCS	53%	4%	24%
DIOSS	52%	4%	43%
AFSM100	63%	18%	62%
UFSM1000	82%	18%	0%
APPS	50%	56%	82%
SPBS	38%	26%	52%

*Source: EOR FY2010*

- d. The proposed utilization rate by tour is as follows:

**Expected Utilization By Tour and Equipment Type**

Equipment	Tour		
	1	2	3
AFCS (Excludes AFCS200)	0%	0%	79%
CIOSS/	77%	29%	68%
CSBCS	Equipment will not be used under Network Rationalization		
DBCS	44%	88%	44%
DIOSS	53%	4%	44%
AFSM100	63%	18%	63%
UFSM1000	Equipment will not be used under Network Rationalization		
APPS	Utilization not impacted by Network Rationalization		
SPBS	Utilization not impacted by Network Rationalization		

This analysis does not assume any operation time efficiencies. It uses the same operational time as in the response to question c and spreads that operational time over the reduced equipment set and reassigns the processing to the respective tour based on

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**RESPONSE to PR/USPS-T3-1 (continued)**

the Network Rationalization concept. This represents the lower bound of machine utilization.

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**PR/USPS-T3-2**

Please refer to USPS-LR-17, 17\_ZipAssignment\_Locallnsight.xls, Worksheet: "Summary," Cell BA2.

- a. Please confirm that cell BA6 indicates there are two AFCS machines for the facility identified as Finance Number 480015.
- b. If confirmed, please also show, linking all necessary worksheet names and cells, how the number of two AFCS machines is derived.

**RESPONSE**

- a. Confirmed; the value of cell BA6 is 2. According to eMARS at the time of the data extraction, there were 2 AFCS located in the facility defined by Finance Number 480015.
- b. There are no calculations and hence no derivation of this number. It represents the actual equipment count at each facility based on the point in time in which data were extracted from the eMaintenance Activity Reporting and Scheduling (eMARS).

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**PR/USPS-T3-3**

Please refer to USPS-LR-17, 17\_ZipAssignment\_LocalInsight.xls, Worksheet: "Summary," Cells BA2:BH4.

- a. Please confirm that the number of each of these machines listed above is mapped to the assumed number of machines in USPS-LR-14, 14\_Mail Processing Window Scoring Tool.xls, Worksheet: "Assumptions," Cells D47:D76.
- b. Please show, linking all necessary worksheet names and cells, how each of these values was calculated.

**RESPONSE**

- a. Not confirmed; These numbers do not match for two reasons: (1) The data were refreshed between establishing operating windows and utilizing the LogicNet Model. The objective of the scoring tool was to establish a starting point for discussion on the operating windows. Once an operating plan was established, the original scoring tool model was not rerun. (2) The data were not populated for all sites in BA through BH on the Summary Tab of Library Reference 17. Those specific data were not required in that stage of the analysis.
- b. There are no calculations and hence no derivation of this number. This number represents the actual equipment count at each facility based on the point in time in which data were extracted from the eMaintenance Activity Reporting and Scheduling (eMARS).

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**PR/USPS-T3-4**

Please refer to both USPS-LR-14, 14\_Mail Processing Window Scoring Tool.xls, Worksheet: "Assumptions," and USPS-LR-17, 17\_ZipAssignment\_LocalInsight.xls, Worksheet: Model MODS, Cells AM29:AM944. Please provide a list of the number of each of type of machine in cells C47:C76 of 14\_Mail Processing Window Scoring Tool.xls, Worksheet: "Assumptions," by the 3-digit ZIP Codes generated in USPS-LR-17, 17\_ZipAssignment\_LocalInsight.xls, Worksheet: Model MODS, Cells AM29:AM944.

**RESPONSE**

3-digit ZIP Codes are not processed separately by machines. For our analysis, we break out workload to the 3-digit level, but roll it up to the processing plant level in order to calculate equipment. If equipment is calculated at a 3-digit level, the equipment sets would have been over inflated when machines are rounded to whole numbers.

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**PR/USPS-T3-6**

Please refer to page 14, footnote 15 of your testimony, where you state that "additional consolidation has occurred as part of the June 2008 Network Plan..."

- a. How would the outputs derived from the Mail Processing Scoring Tool based on the June 2008 network plan compare with those that were used as inputs into Network Optimization performed in USPS-LR-15, Logical Networks?
- b. How many nodes would the Network Optimization tool generate based on the June 2008 network plan?

**RESPONSE**

- a. Footnote 15 is in reference to the LogicNet Model, not the Microsoft Excel Scoring tool. The scoring tool is not designed to utilize geographic specific nodes, but provided the basis for discussion regarding operating windows. As for the LogicNet model, at the time of the model was run, the Postal Service utilized a set list of facilities to choose from, as described in my testimony. Had the Postal Service excluded facilities that were subsequently shut down as part of the AMP process as detailed in the June 2008 Network Plan, the model would not have been allowed to select those facilities as remaining nodes.
- b. The Network Optimization tool was run under the proposed operating concept based on the modification to service standards detailed in USPS-T-1. Had the model been run under the June 2008 network plan framework, in which service standards were not modified, and hence, the operating windows could not be extended to allow for significant consolidation, the number of selected nodes would have been much greater. The Postal Service has not run the model using today's constrained operating windows and maintaining current overnight service standards.

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**PR/USPS-T3-7**

Please refer to page 17 of your testimony, where you state, and “The Logic Net optimization model activated 177 processing facilities...Sixty one buildings activated by the model were later deactivated; 71 sites were activated based on site specific capacity analysis and discussion with the Area.” Please confirm that, based on this statement, 71 of the 187 sites used, or 38 percent, were not considered optimal by the model? If not confirmed, please explain.

**RESPONSE**

This is confirmed with qualifications. All models are based on assumptions. The assumptions and inputs are chosen to reasonably reflect reality. Due to the complexity of the network, simplifying assumptions are required for the model to be computationally feasible and run to completion in a finite amount of time. A model cannot take into account every facet of the complex system that is the nation’s postal infrastructure. Thus, based on the parameter and assumptions underlying the model, those facilities were not deemed optimal by the model. It is a necessary step to receive operational insight and feedback based on local knowledge. These insights must be taken into account when reviewing model results. As explained at pages 19-20 of USPS-T-3, local insight was utilized to make the model results conform to operational reality. In addition, some constraints were relaxed such as the distance constraint based on operational knowledge of areas of the country, which changed how site selections could be performed.

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**PR/USPS-T3-8**

Please refer to page 23 of your testimony where you state “[f]or a site to earn its first AFSM100... it must be at least 25 percent utilized.” Please provide the basis for the 25 percent utilization threshold, including any supporting data or workpapers.

**RESPONSE**

Assuming you are referring to page 28, line 11, the Postal Service developed this assumption based on its operational judgment. At the time of tactical implementation, the proposed equipment will be replaced with equipment that better suits the site's needs. The final equipment sets will be determined through the formal USPS Handbook PO-408 process. If at the completion of the study, the workload is not enough volume to justify the equipment, the volume can be sorted manually. The initial equipment analysis was performed as a starting point to ensure appropriate space was allocated for the flat operation required at a given location.

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**PR/USPS-T3-9**

Please reconcile or explain Figure 3 on page 35 of your testimony with the information presented on operating windows shown in USPS- LR-13 Wkld Volume by OP.xls, Sheet: "Time." Both appear to show the operating windows for letters and flats.

- a. For example, the Library Reference appears to show that the Outgoing Primary window for Letters sorted on the DBCS is 9 hours (from 0:00 to 9:08) on day 0, 12 hours (from 21:09 to 33:08) on day 1, and 12 hours (from 45:9 to 57:08) on day 2. However, Figure 3 appears to limit the Outgoing Primary window from 17:30 to 12:30, 4 hours.
- b. Please reconcile any similar discrepancies between the time windows shown in Figure 3 and USPS- LR-13 Wkld Volume by OP.xls, Sheet: "Time."

**RESPONSE**

- a. Figure 3 on page 35 of USPS-T-3 reflects the proposed operating windows for Network Rationalization. The Outgoing Primary window from 5:30 PM to 12:30 AM reflects 7 hours of run time. The operating windows provided within USPS-T-3 are the result of decisions of the Postal Service regarding the appropriate proposed operating windows to support the service standard changes proposed within this docket. The operating windows in USPS Library Reference N2012-1/13 Wkld Volume by OP.xls were all precursors to the final proposed operating windows. Specifically, the outgoing windows were shortened to mitigate the impact on 2-day pairs. In addition, the shortened operating window ensures the processing is completed in time such that the 3-day air volume can be transported to the air carriers to meet service standards. In general, mail is assigned to carriers between 11:00 PM and 2:30 AM.
- b. The time tab illustrates the methodology used to determine when operating windows for certain process steps and shape overlap to ensure there is enough equipment to process

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**RESPONSE to PR/USPS-T3-9 (continued)**

the volume with competing windows (i.e., additional equipment sets are required when process steps overlap). Again, this workbook is a precursor to the operating windows used to calculate the detailed equipment sets. At each stage, assumptions were refined.

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**PR/USPS-T3-10**

Please define the term "geography factor" term used in USPS-LR-14, Scoring Tool, 14\_Mail Processing Window Scoring Tool.xls, Sheet "Assumptions," Cell E24.

**RESPONSE**

The Microsoft Excel Scoring Tool was used as a high-level strategic model to assess operating windows. The model assumes all volume is spread equally across the United States. The geography factor was used to scale the results to more accurately reflect the variation in workload across the country.

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**PR/USPS-T3-11**

Please refer to page 6 of your testimony where you state: "Then the model 'scores' each scenario based upon hypothetical transportation, labor, overhead, and administrative costs. These hypothetical costs are used for scoring purposes only, to compare the different scenarios and should not be misinterpreted as cost savings estimates associated with any particular network scenario." Please confirm that the choice of different hypothetical costs would not change the results of the comparison between different scenarios? If not confirmed, please explain.

**RESPONSE**

The model used actual Postal Service Financial Reporting data. It is stressed that these cannot be used as actual cost savings metrics due to the simplifying assumptions used in this model. The savings the model generates exaggerates the savings opportunity. If different cost metrics are used, the results would change. It is important to remember that the key output of the scoring tool was proposed operating windows. These operating windows were modified based on mail processing management expertise and adjusted to align to additional operational realities, such as required air transportation.

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**PR/USPS-T3-12**

Please refer to page 6, footnote 4 of your testimony where it states, "Together, the 48 contiguous states and the District of Columbia have an area of 3,119,884.69 square miles. Of this, 2,959,064.44 square miles are land, comprising 83.65 percent of U.S. land area. Officially, 160,820.25 square miles are water, comprising 62.66 percent of the nation's water area."

- a. Please provide a primary source for these figures.
- b. Please discuss whether you considered distributing the workload over an alternate measure of area, such as inhabited land mass, rather than total land mass. Please explain why you rejected other methods of distributing the workload over area.

**RESPONSE**

- a. U.S. Census Bureau - United States -- States; and Puerto Rico GCT-PH1. Population, Housing Units, Area, and Density: 2000 Data Set: Census 2000 Summary File 1 (SF 1) 100-Percent Data.
- b. In this initial analysis to determine operating windows, the population density and mailing patterns were not required. The Postal Service rejected other methods of distributing the workload over the area in this initial analysis because this specific analysis was focused on operating windows that needed to be set to service all parts of the geography of the United States, including individuals in remote areas. Thus, for defining operating windows distributing volume by mailing patterns was not required at this initial stage of modeling. Mail volume distributions and workload requirements were subsequently utilized within the LogicNet Plus modeling.

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TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-13**

Please refer to page 7, footnote 6 of your testimony where you state: "The Fiscal Year 2010 Transportation Contract Support System (TCSS) recorded 19,636 Post Office collection to cancellation processing site trips and 18,022 destination processing plant to delivery unit trips, while the Enterprise Data Warehouse reported a total of 27,559 Post Offices." Please also refer to Library Reference USPS-LR-N2012-1/35, which you reference.

- a. Please confirm that the table 'TCSS' in MS Access file '35\_TCSS' represents data from the TCSS database. If confirmed, please provide the description of all Fields (n\_dn, n\_conid, n\_seg, etc) that exist in the Table 'TCSS'.
- b. Please define the name of the table 'All Dry Lanes' and provide a description of all Fields that exist in this table. Please also provide the source of the data presented in the table 'All Dry Lanes'.
- c. Please confirm that USPS-LR-N2012-1/35 provides records from the Enterprise Data Warehouse? If confirmed, please indicate the names of the tables where the records are provided. If not confirmed, please explain.
- d. In the SQL query 'qryCollaborative", which matches two tables ('All Dry Lanes' and 'TCSS'), you perform a joint operation using the Zip Code Field (or Postal Code Field) in 'All Dry Lanes' table and the Nass Code Field in the TCSS table. Please explain why the tables are matched using these fields. Do the fields ('Zip Code' and 'Nass Code' have the same meaning?
- e. Please describe and explain the result of the query 'qryCollaborative' that merges tables 'All Dry Lanes' and 'TCSS', and explain how the data from the query table 'qryCollaborative' are used in the modeling or analysis.

**RESPONSE**

- a. Confirmed

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TO PUBLIC REPRESENTATIVE INTERROGATORY**

**RESPONSE to PR/USPS-T3-13 (continued)**

Variable Name	Description
n_dn	A code utilized to describe the area of ownership of the route.
n_conid	The contract ID for this leg of transportation, sometimes referred to as the Route Number
n_seg	The segment of the route trip combination, this is utilized when there are multiple stops on the same route trip
n_fin_no	The finance number associated with this leg of transportation
n_acc_no	The account number associated with this leg of transportation
n_trip	The trip ID for this leg of transportation, sometimes referred to as the Trip Number
n_frequency	The frequency code for this leg of transportation, or the number of times this trip runs over the course of a year
n_freq_rate	A numerical description of the number of times this trip runs over the course of a year.
n_freq_no	A code which aligns with the frequency of the trip
n_trp_miles	The overall miles associated with this route
n_seq_no	The sequence number of the trip, utilized for sorting purposes
n_trp_orig	The name of the origin facility associated with this leg of transportation
n_o_nass_code	The origin NASS code of the facility associated with this leg of transportation
n_ld_date	A load date indicator utilized to determine if the load date is the day prior to the unload date or not.
n_ld_time	The time associated with the loading of this leg of transportation
n_lv_date	A leave date indicator utilized to determine if the load date is the day prior to the arrive date or not.
n_lv_time	The leave time associated with this leg of transportation.
n_seq_no2	The sequence number of the trip, utilized for sorting purposes
n_trp_dest	The name of the destination facility associated with this leg of transportation
n_d_nass_code	The destination NASS code of the facility associated with this leg of transportation
n_ar_date	An arrive date indicator utilized to determine if the leave date is prior to the arrive date or not.
n_ar_time	The arrival time associated with this leg of transportation
n_unld_date	An unload date indicator utilized to determine if the load date is the day prior to the unload date or not.
n_unld_time	The unload time associated with this leg of transportation
n_vehicle	A vehicle ID for this leg of transportation
n_lv_minute	A conversion of the leave time to minutes
n_ar_minute	A conversion of the arrive time to minutes
flag	A flag utilized for sorting purposes

- b. All Dry Lanes data are specific to the operations of particular non-postal business entity. It reflects how that entity named the table and categorized those lanes for reasons unknown to the Postal Service. This data table was inadvertently left in the database and is not utilized in any manner for the purposes of this case.
- c. Not confirmed. The data are extracted directly from its data source.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**RESPONSE to PR/USPS-T3-13 (continued)**

- d. The query was used for separate analysis of the degree to which the lanes of the non-postal business entity referenced in the response to subpart (b) matched USPS lanes. For Post Office, often the 5-digit ZIP Code matches the NASS Code. This query was inadvertently left in the database and is not related to Network Rationalization.
  
- e. The results of the query are not related to and were not used in the Network Rationalization analysis. See the responses to subparts (b) and (d).

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-14**

Please refer to page 9 of your testimony where it states: "A minimum threshold of 21,265 square feet, determined on the basis of regression analysis was set for each mail processing site".

- a. Please provide a library reference with the regression analysis and results in SAS or other statistical software.
- b. Please confirm that USPS-LR-N2012-1/36 does not contain data on building square feet used for regression analysis.
- c. Please provide all data used for the regression analysis. If this data exists in an existing library reference, please indicate the specific worksheet(s) where the data are present.

**RESPONSE**

- a. Additional supporting materials will be filed in USPS Library Reference N2012-1/43.
- b. Not confirmed; In Library Reference 14, "14\_Mail Processing Window Scoring Tool.xls", there are two tabs with supporting information "Overhead Regression" and "Bldg SqFt". Additional information is enclosed within the comments of cell E20 on the assumptions page. The comments are as follows:
 

*Some overhead costs were found to have a strong relationship to square foot in the equation:  $Overhead = -Ax^2 + Bx - C$*

*where A, B, and C are constants and x is the square feet. In order to prevent a negative amount of overhead cost and also take into consideration there was a limit to how small of a building we would utilize, a minimum building size was set at 21,265*
- c. See USPS Library Reference N2012-1/43.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-15**

Please refer to page 9 of your testimony where it states: "Overhead costs include the following categories from the Fiscal Year 2010 Postal Service Financial Reporting (PSFR): administrative, supplies, supplies (inventory), rent, and depreciation."... "The PSFR data are provided in USPS Library Reference N2012-1/36".

- a. Please confirm that table 'ACCTG' in USPS-LR-N2012-1/36 provides data on overhead costs for the Fiscal Year 2010 (Field 'FY 2010\_Amt').
- b. Please reconcile or provide a cross-walk for the sub-categories of overhead costs in Field 'Line Description' of Table 'Line' in USPS-LR-N2012-1/36, with the aggregated categories listed on page 9 of the testimony.

**RESPONSE**

- a. Confirmed.
- b. See the crosswalk below.

Line #	Line Description		
18	ADMINISTRATION	Included	Overhead
31	SUPPLIES	Included	Overhead
33	SUPPLIES-ISSUED FROM INVENTORY	Included	Overhead
41	RENT	Included	Overhead
43	DEPRECIATION & AMORTIZATION	Included	Overhead

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-16**

Please refer to page 14, footnote 17 of your testimony where it states: "The opportunity cost was calculated using regression analysis to determine the sale price of owned buildings" ... "Details are provided in library reference USPS-LR-N2012-1/15". Please provide a library reference with the regression analysis and results in SAS or other statistical software.

**RESPONSE**

USPS Library Reference N201201/43 will contain the following file: Minitab.MPJ.

In summary, the independent factors for these recently sold buildings were tested for influence on the sale price within Minitab. Square footage was the only significant factor. Thus the building value was used and the "opportunity cost" of the building's value was spread over 10 years at the expected rate of inflation.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-17**

Please refer to page 2 of your testimony where you state: "Moreover, most DBCS equipment is utilized for DPS only. Since DCBS is only used during this window, DBCS machines are idle the remaining hours of each operating day. This downtime creates unused capacity in the network which can only be reduced through the relaxation of service standards (and corresponding relaxation of the four-hour DPS processing window". Please also refer to pages 12 and 22 of your testimony where you state: "Delivery Point Sequencing was assigned a 16 hour window"; and "In the future operating environment, the DBCS will be operating 20 hours a day with the remaining 4 hours dedicated to preventive maintenance," respectively.

- a. Please provide definitions for 'idle time' and 'down time' as used in your testimony.
- b. Please provide calculations supporting the assignment of a 16 hour DPS window.
- c. Please confirm that the longer DPS processing window is the basis for the increased DPS equipment utilization. If not confirmed, please explain.

**RESPONSE:**

- (a) For purposes of my testimony, I use the terms "down-time" and "idle-time" interchangeably. I recognize that "down-time" is otherwise commonly used to refer to when a machine is unavailable during an operational run due to maintenance event and that "idle-time" is commonly used to refer to when a machine is not running during an operational run, but is available to do so.
- (b) There are no supporting calculations for the sixteen hour run-time. Through discussions with subject matter experts and management, it was deemed that DPS should ordinarily begin no earlier than 12:00 PM and end at 04:00 am.
- (c) Not confirmed. The longer DPS window is the basis for increased DBCS equipment utilization. DPS is only one of the processes run on DBCS machines.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-18**

Please refer to page 5 of your testimony where you state: "The Microsoft Excel scoring tool takes a very general approach that allows the Postal Service to find efficiencies across many different mail processing operations, as well as transportation. The tool can be viewed as a giant calculator. It iterates through a combination of assumptions and outputs the final feasible computations into another worksheet that allows the modeler to compare several scenarios at once." Please also refer to USPS-LR-N2012-1/14, Worksheet 'Assumptions'.

- a. Please define and explain the Hubbing workrate (min/truck/person) and provide the source for the value of '30' given in the table 'General'.
- b. Please, provide the source for the value of '302,400' letters per tray/truck given in the table 'General'.
- c. Please provide the source or calculation for the 'minimum cost per trip to anywhere' value set a '\$100,000' in the table 'General'.
- d. The 'transportation cost' in the scoring tool is set to \$1.80. In response to APWU/USPS-T3-9 you state that based on Highway Contract Route data the number was revised to \$1.82 per mile (see also your testimony, page 16, line 6. Please explain how a change, in the scoring tool inputs, from \$1.80 to \$1.82 would influence the results of the calculations.
- e. Please define Flats/SPBS space multiplier and provide the source or calculations for the value of '2.3333' in the table 'General'.
- f. Please define the term 'ADV' as used in the table 'Volume'.
- g. Please explain why the term '% Vol Change' is set to 100% in table 'Volume'.
- h. Please explain why the machine efficiency is a constant 80% for each operation listed, including any supporting calculations or data used to derive the figure.

**RESPONSE:**

- (a) The field Hubbing workrate (min/truck/person) is used to penalize time by 30 minutes for the use of a hub. The 30 minutes was deemed an appropriate time penalty based on discussions with mail processing and transportation management experts. There was no formal analysis performed to calculate this value.
- (b) '302,400' letters per tray/truck is calculated by making the following assumptions: 24 APCs of letters per truck (1/2 the 53'truck is other mail), 350 Letters per tray,36 letter trays per APC;  $24 * 350 * 36 = 302,400$  letters per truck.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**RESPONSE to PR/USPS-T3-18 (continued)**

- (c) Minimum cost per trip to anywhere is set to \$100 not, \$100,000. This was set to scale transportation to baseline.
- (d) Changing the per trip minimum from \$1.80 to \$1.82 would make transportation more expensive. This analysis was not run, since the scoring tool was the starting point for discussion only. The tool results were modified to align with external network infrastructure.
- (e) The scoring tool was focused on letter processing. The Flats/SPBS space multiplier of 2.33 was used to inflate the average footprint on the tab entitled, "Calculations ", in cells F27, F29:F34. As the future processing nodes can process more than just the letter product and thus would need to house equipment to sort the other products. It was a rough estimate to proxy the footprints of AFSM100 and SPBS compared to that of letter automation equipment.
- (f) ADV stands for average daily volume. For the scoring tool, the annual volume was divided by 302, the number of operating days in a non-leap year.
- (g) The scoring tool was built to have the flexibility to run at varying volume levels. This flexibility was not utilized. The volume impacts the equipment requirement. For example, see tab entitled Calculations, Cell I8. The formula in this cell calls the %volume for cancellation (Assumptions!J32) is used to inflate/deflate the cancellation machines based on the factor.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**RESPONSE to PR/USPS-T3-18 (continued)**

(h) Machine factor is set at 80 percent. This factor is used in the calculations of machines required (such as cell I8) and the total daily labor cost (such as cell P8) on the "Calculations" tab. This value is based on discussions with mail processing management experts; there was no formal analysis performed to calculate it.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-19**

The following questions refer to the terms used in USPS-LR-14, 14\_Mail Processing Window Scoring Tool.xls, worksheets "Calculations" and "Time."

- a. Please explain why throughput times machine efficiency is used to calculate the total number of machines rather than TPF/hr.
- b. Please confirm that "daily workhours" is equal to daily workhours per facility. If not confirmed, please explain.
- c. Please refer to Cell N8. Please define the term "Coverage" as used in this worksheet.
- d. Please confirm that "throughput" is a measure of the ideal or maximum pieces that could be processed by a machine. If not confirmed, please provide an alternate definition.
- e. Please explain why the calculations for the number of required machines for different operations, are in large part determined by throughput, rather than a historical measure such as total pieces fed per hour. Please explain the purpose and function of the worksheet "TIME."

**RESPONSE:**

- (a) TPF/hr is one way to calculate a throughput, but it is not recommended. Total pieces fed includes rejected pieces. Using this piece count, may misrepresent the machine capability. Due to changes in operating windows, the wall-clock throughputs achieved today may differ than those tomorrow. The average daily volume is based on the total piece handled. For modeling, we did not want to include the reworked or rejected volume. The TPH represents the number of handlings necessary to distribute each piece of mail from the time of receipt to dispatch. The formula for total machines is in I8 though I12 on the calculation tab. To explain the calculation, I will use the formula in I8.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**RESPONSE to PR/USPS-T3-19 (continued)**

$(=\text{ROUNDUP}((\text{Assumptions!I32} * \text{Assumptions!J32}) / ((\text{G8-C8}) * 24 * \text{Assumptions!K32} * \text{Assumptions!L32}), 0)$

Where

Assumptions!I32=average daily volume for cancellation

Assumptions!J32=volume inflation factor; set to 100% such that the volume used is 100% of FY2010 ADV.

$(\text{G8-C8}) * 24 = \text{Operating Window} = \text{Clearance Time} - \text{Start Time}$

Assumptions!K32=throughput for cancellation equipment pieces/ hour

Assumptions!L32=machine efficiency ; provide flexibility to deflate throughput.

- (b) Confirmed.
- (c) On page 6 of my testimony, I state “Fiscal Year 2010 Management Operating Data System (MODS) workload was spread evenly across the 3,119,884.69 square miles”. Given this, N8 shows the reach of each node. It is calculated based on the distance between collections to cancellation site. Using this distance, the number of nodes required can be determined.
- (d) Not confirmed. It is a reasonable expectation of the pieces that can be processed per hour.
- (e) See my response to part (a).

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**RESPONSE to PR/USPS-T3-19 (continued)**

(f) TIME is used to determine if there are competing windows.

For example, DBCS is used for both Process Step A and Process Step B.

SCENARIO I:

Let Process Step A require 3 DBCS for time periods 1, 2, and 3.

Let Process Step B require 10 DBCS for time periods 3, 4, and 5.

During time period 3, 13 DBCS are required to sort the mail for both Step A and B.

SCENARIO II:

Let Step A require 3 DBCS for time periods 1, 2, and 3.

Let Step B require 10 DBCS for time periods 4, 5, and 6.

Since there is no overlap, only 10 DBCS are required to sort the mail for both Step A and Step B.

The TIME workbook evaluates the overlap of operating window to determine if the total equipment required is the sum of the equipment requirement for each process step (as shown in scenario I) or if the total equipment requirement is the maximum required for either process step (as shown in scenario II). This analysis is performed for each type of equipment modeled.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-20**

Please refer to USPS-LR-15, 15\_LogicNet Model.xls, Sheet: "OverallCapacity."

- a. Please explain the meaning of column "L", Fixed Opening Cost.
- b. Please explain how and/or where the data was developed or obtained for each plant.
- c. Please explain why column "M", Fixed Operating Cost, is set to zero for each plant.

**RESPONSE**

- (a) Fixed Opening Cost on Overall Capacity is the cost of opening the line, i.e. the cost to start processing the products volume at that site, whether it is one piece or one thousand pieces.
- (b) See the response to POIR No. 1 Question 6.
- (c) This function was not used in our model and thus the default value was not changed.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-21**

Please refer to USPS-LR-15, 15\_LogicNet Model.xls, Sheet: "Demand."

- a. Please explain the meaning of Demand, Minimum Demand, and Revenue (columns G, H, and I).
- b. Please explain the units in which these variables are expressed.
- c. Please explain how and/or where the data was developed or obtained for each plant.
- d. Please explain how these variables are used in the LogicNet model analysis.

**RESPONSE:**

- (a) Definitions:

Demand: Square footage required by 3-Digit ZIP Code and product to process its volume.

Minimum Demand: This builds constraints in the Logic Net heuristic. For logic Net to provide a feasible solution, minimum amount of demand parameter needs to be met in the solution otherwise LogicNet deems the solution infeasible. In our modeling minimum demand equals demand, thus all demand must be met.

Revenue: The \$ per unit of demand met. Given, we do cost minimization, revenue is not utilized.

- (b) A unit of demand is a square foot.
- (c) Demand is created by 3-digit ZIP Code, not by plant. See footnote 20 of my testimony for detailed description of how this is calculated.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**RESPONSE to PR/USPS-T3-21 (continued)**

(d) For our modeling concept, all demand must be met (minimum demand equals demand). LogicNet assigns the customers (3-digit ZIP Codes) to plants. For modeling purposes, the plants capacity its square footage. LogicNet assigns the 3-digit ZIP Codes to plants to find the least cost solution based on the constraints. As stated in A, revenue is not used in this analysis.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-22**

Please refer to your testimony on page 7, footnote 6 and USPS-NP2012-1/LR 35.

- a. Please confirm that 'leg of transportation' as used in the footnote has the same meaning as mode of transportation. If not confirmed, please define leg of transportation.
- b. Please provide the query that returns 19,636 Post Office collection to cancellation processing site trips as well as the query that returns 18,022 destination processing plant to delivery unit trips as reported in the TCSS table.
- c. Please provide a library reference with the data from the Enterprise Data Warehouse that is used for calculations referred to in your testimony.

**RESPONSE**

- (a) Since the term "leg of transportation" does not appear in that footnote, I am not certain how to respond to this question.
- (b) The queries have not been preserved. The general constraints applied are described in footnote 6 page 7.

Code that will provide similar, but not exact results is as follows:

Sample code for C2C:

```
TCSS.n_conid AS Route, TCSS.n_trip AS Trip
FROM TCSS
WHERE (((TCSS.n_lv_time)>"12:25" And (TCSS.n_lv_time)<"21:00") AND
((TCSS.n_freq_rate)>203) AND ((IsNumeric([TCSS].[n_d_nass_code]))=True) AND
((Len([n_o_nass_code]))=5) AND ((Len([n_D_nass_code]))=3) AND
((IsNumeric([TCSS].[n_o_nass_code]))=True))
GROUP BY TCSS.n_conid, TCSS.n_trip;
```

```
SELECT Test_qryC2C.Route, Test_qryC2C.Trip, TCSS.n_o_nass_code
FROM Test_qryC2C INNER JOIN TCSS ON (Test_qryC2C.Route = TCSS.n_conid)
AND (Test_qryC2C.Trip = TCSS.n_trip)
WHERE (((IsNumeric([TCSS].[n_o_nass_code]))=True) AND
((Len([n_o_nass_code]))=5))
GROUP BY Test_qryC2C.Route, Test_qryC2C.Trip, TCSS.n_o_nass_code;
```

```
SELECT qry_C2COriginNassCode.n_o_nass_code
FROM qry_C2COriginNassCode
GROUP BY qry_C2COriginNassCode.n_o_nass_code;
```

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**RESPONSE to PR/USPS-T3-22 (continued)**

Sample code for D2D:

```
SELECT TCSS.n_conid AS Route, TCSS.n_trip AS Trip
FROM TCSS
WHERE (((TCSS.n_freq_rate)>203) AND ((TCSS.n_lv_time)>"03:00" And
(TCSS.n_lv_time)<"09:00") AND ((Len([n_o_nass_code]))=3) AND
((Len([n_d_nass_code]))=5) AND ((IsNumeric([TCSS]![n_d_nass_code]))=True) AND
((IsNumeric([TCSS]![n_o_nass_code]))=True))
GROUP BY TCSS.n_conid, TCSS.n_trip;
```

```
SELECT TCSS.n_d_nass_code, Test_qryD2D.Route, Test_qryD2D.Trip
FROM Test_qryD2D INNER JOIN TCSS ON (Test_qryD2D.Trip = TCSS.n_trip) AND
(Test_qryD2D.Route = TCSS.n_conid)
WHERE (((IsNumeric([TCSS]![n_d_nass_code]))=True) AND
((Len([n_d_nass_code]))=5))
GROUP BY TCSS.n_d_nass_code, Test_qryD2D.Route, Test_qryD2D.Trip;
```

```
SELECT qry_D2DDestNassCode.n_d_nass_code
FROM qry_D2DDestNassCode
GROUP BY qry_D2DDestNassCode.n_d_nass_code;
```

- (c) Library Reference 35 contains the data used for the analysis. The Enterprise Data Warehouse information was not saved as it was simply used as quick validation of the TCSS analysis.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-23**

Please refer to page 8, footnote 7 of your testimony where you state: "The distance of 66 miles was determined by analyzing distance thresholds based on a sensitivity analysis for minimum building size, the minimum trip cost, and tour length". Please provide a library reference with the data and calculations underlying the sensitivity analysis.

**RESPONSE**

Documentation reflecting the underlying data and calculations has not been preserved.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-24**

Please refer to page 13 of your testimony where you state: "For purposes of modeling, I assumed that each 3-digit ZIP Code workload could be transported up to 200 miles to be processed by a plant".

- a. What is the current average distance to a processing plant that 3-digit ZIP Code workload is transported? Please provide data with a source.
- b. Please, explain the derivation of the 200 mile assumption.

**RESPONSE**

- (a) The current average distance of 55.4 miles is calculated using PC Miler based on the latitude and longitude of 3-digit ZIP Code's geographic centroid to latitude and longitude of the SCF processing facility (Labeling list L005).
- (b) The 200 mile threshold was established based on discussions with postal mail processing and transportation management experts. 200 miles is approximately 4 hours drive time. Assuming completion of mail processing at 4:00 AM, this would allow mail to reach the delivery office by approximately 8:00 AM. In addition, as the operating concept evolved, local postal management expert insight led to the understanding that some volumes could be completed much earlier than the 04:00 AM time, and therefore, could travel greater than the 4 hour drive time, which is why in some instances, this distance constraint was relaxed. This was a reasonable distance constraint to serve as a starting point to generate the network for further local management insight and analysis.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-25**

On page 14 of your testimony you state: "The Logic Net model included 476 plants as potential processing sites. Those with no workload or no equipment were removed as potential processing sites." Please confirm that all existing plants, except those with no workload or no equipment, were included in the model. If not confirmed, please provide the percentage of plants (of the total processing plants) included in the model and explain how the sample was chosen.

**RESPONSE**

Not confirmed. The starting point was the L005 SCF label list published at the time of modeling. We also excluded plants that are not located on the contiguous United States, i.e. off-shore facilities were not modeled in LogicNet. See the response to APWU/USPS-T3-20 for additional information.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-26**

Please refer to page 16 of your testimony where you state: "A fixed component of \$100 was added to each 3-digit ZIP Code for plant lane. This fixed cost was added in to reflect more accurately the cost of local transportation. There is a fixed cost for each trip. Based on Logic Net's transportation cost algorithm, the \$100 per lane assumption most accurately represented the current ratio of transportation cost to mail processing costs". Also in response to APWU/USPS-T3-9 you state: "Test models were run with varying transportation fixed costs. The \$100 per plant lane was determined as the total costs more accurately estimated the ratio of transportation to mail processing costs".

Please provide a library reference with supporting calculations/tests/models that support the fixed component of \$100.

**RESPONSE**

The sensitivities were performed within LogicNet, but the results were overwritten during each iteration until a final decision was made. Accordingly, the analysis has not been preserved.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PUBLIC REPRESENTATIVE INTERROGATORY**

**PR/USPS-T3-27**

Please refer to page 18 of your testimony where you state: "For this strategic initiative, USPS Handbook AS-504, Space Requirements equipment square footage (which includes space for aisles and staging) was inflated by an additional twenty percent to ensure there was adequate staging room under this new concept when all volume is available at the start of the windows". Please also refer to the same page where father state: "The Model column is the AS-504 equipment square footage multiplied by an additional 25 percent used in our modeling to account for the additional staging space required under this new mail processing concept". Please provide calculations/ sources in support of 20 and 25 per cent values.

**RESPONSE**

The square foot inflation factor was used as a proxy for staging in the initial node selection.

The LogicNet model was used as starting point for discussion. The decision to increase the inflation factor in the post-analysis was to flag any nodes that may have space constraints.

Staging requirements under today's operating environment will be different than the staging requirements under Network Rationalization. Discussion with mail process management experts helped refine these initial assumptions. No calculations were performed to develop this assumption.

As stated in footnote 25, "As part of the specification for each site, a blueprint will be generated for each node to ensure appropriate staging and dock space exists. The building layout is one of the criteria for review and approval of each Area Mail Processing consolidation study."

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 2**

1. LR-USPS-N2012-1-15 file "15\_LogicNet Model.xls" tab 'PlantDetails' columns M and N are titled "Fixed Opening Cost" and "Fixed Operating Cost." Please provide:
  - a. the source of the data in these columns, and
  - b. detailed descriptions of what these data measure.

**RESPONSE**

The opening cost in LogicNet is either the rental cost for leased facilities or a calculated "opportunity cost" for an owned building. To determine if a facility is leased, a cutoff of lease costs per finance per square foot is calculated in the query "Output to LoginNet with RealCosts (no deprec)" within USPS Library Reference N2012-1/52 (Facility data to run LogicNet model (no Depreciation)\_NoLinks.zip).

Valuations for owned buildings were dependent on multiple factors. An analysis was conducted on a small sample of recently owned building sale summary. The independent factors for these buildings were tested for influence on the sale price within Minitab and square feet was the only significant factor. Therefore, the formula from the Minitab conclusions was used to value owned buildings and the "opportunity cost" of the building's value was spread over 10 years at the expected rate of inflation. This formula is the fixed closing cost formula within the "Output to LoginNet with RealCosts (no deprec)" query within MS Access.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 2**

**RESPONSE to Question 1 (continued):**

Operating Cost for each facility is equal to the utility costs from the accounting log and are calculated in the "Daily Utility costs each Finance" query within USPS Library Reference N2012-1/52 (Facility data to run LogicNet model (no Depreciation)\_NoLinks.zip).

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 2**

2. LR-USPS-N2012-1-15 file "15\_LogicNet Model.xls" tab 'ProductionInfo' columns N and O are titled "RT Production Cost" and "OT 1 Cost."
- a. Please confirm that column N contains the variable processing costs for Letter, Flat and Parcel processing. If not confirmed, please explain.
  - b. Please provide a detailed description of column O, "OT 1 cost."
  - c. Please explain how the differences in variable processing costs were estimated.
  - d. Please explain the process used to determine the variable processing cost for each plant.
  - e. Please provide the workpapers used to develop the figures in these columns.

**RESPONSE**

- a. Confirmed. This is a calculated unit cost used for modeling purposes. Please reference USPS-T-3, page 15, fn. 20 to define a unit.
- b. OT 1 Cost is the unit cost to process volume at an annex. The OT1 unit cost is double the RT Production Cost to incentivize the model to first use the primary facility. Only 16 sites were utilized in this capacity.

Line costs are the manufacturing or labor costs - Extrapolated linear cost functions from the polynomial functions for per piece per day per square foot cost. Used these formulas to create line options (low volume, medium volume, and high volume) with different costs per piece.

- c. See LR-USPS-N2012-1-46.
- d. See LR-USPS-N2012-1-46.
- e. See LR-USPS-N2012-1-46

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 2**

3. Please confirm that the LR-USPS-N2012-1-17 file "17\_ZipAssignment\_LocalInsight.xls" tab 'OD-PlantToCustRpt' contains an output table derived from an IBM LogicNet Plus optimization solution. If not confirmed, please explain.
- a. Was this output file developed from an optimization solution that used the file "15\_LogicNetModel.xls" for all input data?
  - b. For the optimization solution that was used to develop the "OD-PlantToCustRpt," please provide the following solution reports in Excel format:
    - i. Summary Report "Cost Summary"
    - ii. Summary Report "Plants"
    - iii. Summary Report "Lines"
    - iv. "Landed Cost"

**RESPONSE**

- a: No. The tab, 'OD-PlantToCustRpt' in Library Reference 17 is not the pure output of LogicNet. Logic Net modeled only three products "Letter", "Flat", and "SPBS". The tab, OD-PlantToCustRpt', breaks out the products to a finer level. In addition, the file was adjusted based on headquarters subject matter expertise. See the response to subpart (b) below regarding corresponding output.
- b. See USPS Library Reference N2012-1/53, POIR\_No2\_Q3\_OutputReports.xls.
- Note that the final tab includes a version of the ZIP Code Processing Plant Assignments. These ZIP Code assignments are not the same as USPS Library Reference N-2012-1/16. All LogicNet solution reports included in Library Reference 53 are associated with the ZIP Code assignments included in the "OutputReports" worksheet. The results are used as decision support tools, not decision making tools. Any differences between Library References 16 and 53

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
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**RESPONSE to Question 3 (continued)**

are believed to be insignificant. The ZIP Code plant assignments were the starting point for discussion. The final results will be vetted through each facility-specific application of the USPS Handbook 408 Area Mail Processing consolidation review process.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
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4. USPS-T-3 at page 13 states "The objective of the model is to maximize assignment of 3-digit ZIP codes to a facility," further stating in footnote 14 that "the 3-digit ZIP Code processing square footage (footprint) is the sum of square footage for each equipment type that is require to perform both origin and destination processing for the 3-digit ZIP Code."
- a. Please confirm that LR-USPS-N2012-1-13 file "USPS.LR.N2012.1.13.xls" tab 'Model MODS' column BA "LTTR" is the source for the 3 digit "LTTR" product "Demand" data in the file LR-USPS-N2012-1-15 "15\_LogicNetModel.xls" tab 'Demand.' If not confirmed, please explain.
  - b. Please confirm that the data in LR-USPS-N2012-1-13 file "USPS.LR.N2012.1.13.xls" tab 'Model MODS' column BA "LTTR" is calculated using the volume data in tab 'ODIS.' If not confirmed, please explain.
  - c. Please confirm that LR-USPS-N2012-1-13 file "USPS.LR.N2012.1.13.xls" tab 'Model MODS' column BB "FLAT" is the source for the 3 digit "FLAT" product "Demand" data in the file LR-USPS-N2012-1-15 "15\_LogicNetModel.xls" tab 'Demand.' If not confirmed, please explain.
  - d. Please confirm that the data in LR-USPS-N2012-1-13 file "USPS.LR.N2012.1.13.xls" tab 'Model MODS' column BB "FLAT" is calculated using the volume data in tab 'ODIS.' If not confirmed, please explain.
  - e. Please provide a citation to the source for the 3 digit "SPBS" product "Demand" data in the LR-USPS-N2012-1-15 file "15\_LogicNetModel.xls."
  - f. Please provide a narrative describing where the data LR-USPS-N2012-1-13 file "USPS.LR.N2012.1.13.xls" tab 'ODIS' is derived from and a discussion of any other analysis that relies on these data.
  - g. Please provide the workpapers used to develop the volume data in LR-USPS-N2012-1-13 file "USPS.LR.N2012.1.13.xls" tab 'ODIS.'

**RESPONSE**

- a. Not Confirmed. The letter demand was refined during the modeling. In modelMODs, the total LTTR demand is 7,953,769. In LogicNet's demand file the letter was decreased to is 7,930,767.
- b. Confirmed. The Origin Destination Information System (ODIS) is one of the sources used to calculate the LTTR demand.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 2**

**RESPONSE to Question 4 (continued)**

- c. Confirmed.
- d. Confirmed. The ODIS is one of the sources used to calculate the FLAT demand.
- e. SPBS Demand is calculated using the same methodology as LTTR and Flat demand. The details can be found in USPS Library Reference N2012-1/NP2.
- f. The volume data provided in the ODIS worksheet in the workbook USPS.LR.N2012.1.13.xls were derived from ODIS and MODS (Management Operating Data System). ODIS contains 3-digit to 3-digit ZIP Code average daily volume (ADV) by mail class, shape, and indicia. This information was used to derive those processes with a red column name. Other operations, with white column names, were derived by using ODIS and MODS. An example best illustrates how these two calculations differ. All data used was from FY2010.

L-OGP for ZIP Code 005 - The sum of all ODIS ADV where:

(1) OZIP = 005

(2) Mail Class = First-Class Mail

(3) Shape = Letter

(4) Indicia = any value

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 2**

**RESPONSE to Question 4 (continued)**

L-OGS for ZIP Code 005 - since an approximation for L-OGS could not be determined directly from ODIS, the ODIS L-OGP and ratio of MODS average daily volume (ADV) for L-OGP and L-OGS was used to calculate ODIS L-OGS:

$$(1) \text{ ODIS L-OGS} = \text{ODIS L-OGP} * (\text{MODS L-OGS ADV} / \text{MODS L-OGP ADV})$$

The ODIS worksheet data is used as a secondary method to determine the model workload for each ZIP Code for each process step. Thus the data on this tab are used in all process step worksheets (CANC, L-OGP, L-OGS, etc.)

- g. See USPS Library References N2012-1/55 and N2012-1/NP11. The former will contain the SAS code. The latter will contain the raw ODIS data.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 2**

5. The Preface for the LR-USPS-N2012-1-17 file "17\_ZipAssignment\_Locallnsight.xls" states that tab 'ModelMODS' contains "Summary of data from each broad category worksheet (CANC, L-OGP, etc) by 3-Digit ZIP Code from FY2010 Workload Volume by Operation Type (USPS-LR-N2010-1/13 and its nonpublic counterpart USPS-LR-N2010-1/NP2). Incorporates ZIP Code assignment information from OD-PlantToCustRpt worksheet." The "Manual Sqft pct" in cell AT3 of file "17\_ZipAssignment\_Locallnsight.xls" tab 'ModelMODS' does not match the "Manual Sqft pct" in cell H3 of file "USPS.LR.N2012.1.13.xls" tab 'Model MODS.' Please explain the reason for the usage of a different "Manual Sqft pct" in the two workpapers, and the impact of using different factors.

**RESPONSE:**

We refined our assumptions throughout the modeling. After consulting with the field, we deemed it necessary to be more conservative in calculating the square footage required for manual operations and thus we increased the percentage from 15 percent to 20 percent. Inflating this factor increases the footprint of each machine. \$AT\$3 is used in the formulas for equipment square footage.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 2**

6. LR-USPS-N2012-1-17 file "17\_ZipAssignment\_Locallnsight.xls" tab 'OD-PlantToCustRpt' contains an output table derived from an IBM LogicNet Plus optimization solution. It identifies shipping cost and production costs for 3-digit demand points allocated to processing facilities in columns M and N. The following questions seek information about the links between the outputs from this file and the data provided in the LR-USPS-N2012-1-15 file "15\_LogicNetModel.xls."

- a. Please confirm that column M, Shipping Cost, is calculated for each "product" for each "customer" using the following formula:

Shipping Cost = Trips x Cost per Trip

Trips = Units/1200

Cost per Trip = (Distance from Plant to Customer x 1.82) + 100

If not confirmed, please provide and explain the formula that is used.

- b. Please confirm that column N, Production Cost, is calculated for each "customer" using the following formula:

Production Cost= Units X RT Production Cost

If not confirmed, please provide and explain the formula that is used.

- c. For illustrative purposes, please confirm the steps used to develop the following shipping cost example from LR-USPS-N2012-1-17 file "17\_ZipAssignment\_Locallnsight.xls" tab 'OD-PlantToCustRpt' row 15, customer "120 – ALBANY NY" product "FLAT" processed by Plant ID 33, "Albany, NY." Please explain any steps that are not confirmed.

- i. Please confirm that Customer 120 has 5,206 units, as is detailed in USPS-N2012-1-17 file "17\_ZipAssignment\_Locallnsight.xls" tab 'OD-PlantToCustRpt' cell L15 and LR-USPS-N2012-1-15 file "15\_LogicNetModel.xls" tab 'Demand' cell G345, which means that Customer 012 requires 4.3383 trips.
- ii. Please confirm that Customer 012 is 15.1 miles from Plant 33, as identified in LR-USPS-N2012-1-15 file "15\_LogicNetModel.xls" tab 'SiteDistances' cell G1271.
- iii. Please Confirm that the "RT Production Cost" for Plant 33 product "FLAT" is 0.652411 as identified by LR-USPS-N2012-1-15 file "15\_LogicNetModel.xls" tab 'ProductionInfo' cell N1653.
- iv. Please confirm that the "Shipping Cost" for Customer 120 product "FLAT" is  $((15.1 \times 1.82) + 100) \times 4.3833 = 533.05$ , as identified in USPS-N2012-1-17 file "17\_ZipAssignment\_Locallnsight.xls" tab 'OD-PlantToCustRpt' cell M15.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 2**

**Question 6 (continued)**

- v. Please confirm that the "Production Cost" for Customer 120 product "FLAT" is  $5,206 \times 0.652411 = 3,396.45$  as identified in USPS-N2012-1-17 file "17\_ZipAssignment\_LocalInsight.xls" tab 'OD-PlantToCustRpt' cell N15.
- d. For illustrative purposes, please provide the same detailed demonstration of the calculations shown in part c for USPS-N2012-1-17 file "17\_ZipAssignment\_LocalInsight.xls" tab 'OD-PlantToCustRpt' row 2, customer "012 Springfield MA" product "Flat" allocated to Plant 16 "Hartford, CT."

**RESPONSE**

- a. Confirmed. In some cases, ZipAssignment\_LocalInsight.xls includes ZIP mappings where the plant was changed due to local considerations. In those cases, the Logic Net calculation for shipping cost was not required to be refreshed.
- b. Confirmed. In general this is true. In addition, at some sites, annex capacity was modeled at the host plant as overtime capacity. Overtime capacity carried a separate and higher unit cost. Where the model chose to use overtime capacity the equation for production cost would be as follows:  $\text{Production Cost} = \text{Units}_{\text{RT}} \times \text{RT Production Cost} + \text{Units}_{\text{OT}} \times \text{OT 1 Cost}$
- c.
  - i. Confirmed.
  - ii. Confirmed – assuming the question intended Customer 120 and not Customer 012.
  - iii. Confirmed

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 2**

**RESPONSE to Question 6 (continued)**

- iv. Confirmed.
  - v. Confirmed.
- d. As stated in the answer to subpart (a) above, in some cases, ZipAssignment\_LocalInsight.xls includes ZIP mappings where the plant was changed due to local considerations. In those cases, the Logic Net calculation for shipping cost was not required to be refreshed. Customer 012 is an example where the model mapping was changed.

If Needed: In the model, 012 was assigned to Albany, which is 60.4 miles from 012.

Shipping cost =  $(10160/1200) * (60.4 * 1.82 + 100) = 1777.39$

Production cost =  $(10160 * 0.65241) = 6628.50$

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST No. 4

1. Please provide the source data and an explanation of the development of the figures in the column "2010 Volume" by operation in LR-USPS-N2012-1/13 file "USPS.LR.N2012.1.13" tab "FY2010 Workload." If the raw data were modified, please provide the spreadsheet or other program(s) used to produce the figures.

**RESPONSE:**

FY2010 MODS data from EDW were rolled up by operational category, based on groupings of operation numbers. Upon review of the Operation Number Mapping, adjustments were made; these refinements were included in column G. The original data were placed in column J to allow validation that the mappings were correct. Library reference USPS-LR-N2012-1/66 includes the MS Access database that generated the data. (POIR No4 Q1.mdb).

The database has five components:

Tables:

- (1) MODSFacilities, - List of MODS facilities
- (2) MODSFY2010\_by\_FAC\_OP – List of MODS facilities and their FY2010 workload by Operation Number
- (3) OPERATION tables – Operation Number mapped to shape-process category

Queries:

- (1) Workload Summary - Just Volume - merges 3 tables together and sums volume to shape-process category by MODS site.
- (2) Workload Hours Matrix – Work Hours by MODS facility

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST No. 4

2. LR-USPS-N2012-1/15 file "15\_LogicNet Model.xls" contains the inputs for a LogicNet Project.
  - a. Please confirm that the tab "PlantDetails" contains 476 processing facilities.
    - i. Please confirm that in column F, "Active," 125 facilities have a value of "False."
    - ii. Please confirm that facilities with a column F value of "False" cannot be chosen as production sites by a Logic Net optimization.
    - iii. Please discuss why these 125 facilities were not functionally included in the model.
  - b. Please confirm that the Logic Net model provided in "15\_LogicNet Model.xls" models the outbound transportation links between SCFs and 3-digit customer centroids.
  - c. Did the Postal Service attempt to model both inbound and outbound transportation links between 3-digit customer centroids and processing facilities?
    - i. If so, please provide the workpapers or Logic Net projects developed to model these links.
    - ii. Please discuss the relative merits of a model with one transportation leg (outbound) compared to one with two legs (outbound and inbound).
  - d. Did the Postal Service attempt to model inbound and outbound transportation links between processing facilities?
    - i. If so, please provide the workpapers or Logic Net projects developed to model these links.
    - ii. Please discuss the relative merits of a model with one transportation leg (outbound) compared to one with two legs (outbound and inbound).
  - e. Did the Postal Service attempt to model inbound and outbound transportation links between processing facilities and the NDC network?
    - i. If so, please provide the workpapers or Logic Net projects developed to model these links.
    - ii. Please discuss the relative merits of a model with one transportation leg (outbound) compared to one with two legs (outbound and inbound).
  - f. Did the Postal Service develop a sensitivity analysis to evaluate the importance of the cost inputs used in the Logic Net Model, such as the RT production cost and operating cost by facility? If so, please provide and explain the findings of the analysis, and provide the workpapers developed to support it.

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TO PRESIDING OFFICER'S INFORMATION REQUEST No. 4

**RESPONSE:**

- a. Confirmed.
  - i. Confirmed.
  - ii. Confirmed.
  - iii. Please see response to APWU/USPS-T3-20.
- b. Confirmed.
- c. No.
  - i. Not applicable.
  - ii. This model initiative was a decision support tool, not a decision making tool. It served as a starting point for discussion. In general, this modeling standardized mail flows such that a ZIP Code has the same origin and destination processing site by shape. With this assumption, separate modeling of inbound and outbound has less of an impact. Since increasing the complexity of the model increases run-time, we concluded that the additional computation time for separate modeling was unnecessary. Notwithstanding the modeling, the AMP process still controls a facility specific decision whether to consolidate operations.
- d. No.
  - i. Not applicable.
  - ii. Increasing the complexity of a model increases its run time. Given that results of the modeling were the starting point for discussion, rather than outcome determinative in and of themselves, separating analyses of inbound from outbound were not deemed essential. *See also*, the response to part (c)(ii), *supra*.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
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- e. No.
  - i. Not applicable.
  - ii. The NDC network was outside the scope of this modeling effort.
- f. No.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST No. 4

3. LR-USPS-N2012-1/14 file "14\_Mail Processing Window Scoring Tool.xls" tab "Baseline Costs" contains square footage, operating hours, operating costs, overhead hours, and overhead costs for facilities with MODS Workhours.
- Please confirm that these data were used as inputs for LR-USPS-N2012-1/46.
  - Please confirm that the sum of Column AI "Overhead Hours" is 181,369,244. If not, please explain.
  - Please confirm that the sum of Column AJ "Operation Hours" is 104,472,615. If not, please explain.
  - In FY 2010, at the processing facilities with MODS workhours, did overhead hours constitute 63.45 percent of total hours  $(181,369,244 / (181,369,244 + 104,472,615))$ ?
  - Please provide the source data and an explanation of the development of the information in the tab "Baseline costs." If the raw data were modified, please provide the spreadsheet or other program(s) used to produce the figures.

**RESPONSE:**

- Not confirmed.
- Confirmed.
- Confirmed.
- Based on the subset of data identified by the question, the quotient is 63.45 percent.
- The cost data are from PSFR and included in library reference USPS-LR-N2012-1/36. The work hours data are derived from data in the Access database supplied in response to question one from POIR No. 4, USPS-LR-N2012-1/66 , (POIR No4 Q1.mdb), query entitled "Workload Hours Matrix."

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

4. In LR-USPS-N2012-1/17 tab "Model Mods," the 3-digit customer assignments developed using the LogicNet Model have been modified using "Local Insight." On February 23, 2012, the Postal Service announced the results of the AMP studies it has undertaken concurrently with the instant proposal. Please provide an update to the 3-digit customer assignments to reflect current plans based on the results of these studies.

**RESPONSE:**

See the Attachment to this response

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

5. File LR-USPS-N2012-1/47 tab 'Facilities' column E is titled "Current Workroom Sq Ft." Column D is titled "Include?"
- a. Please explain how the facility-by-facility determination to "include" or "not include" was made.
  - b. Please explain why 322 facilities were chosen as the starting point for this analysis.
  - c. Please discuss the differences in Facility Square Footage between file LR-USPS-N2012-1/47 tab "Facilities" and file LR-USPS-N2012-1/52 Access file "Plants."
  - d. Please provide a crosswalk between file LR-USPS-N2012-1/47 tab "Facilities" and file LR-USPS-N2012-1/52 Access table "Plants."

**RESPONSE:**

It should be emphasized that Library Reference N2012-1/47 was a relatively high level modeling exercise undertaken for the purpose of generally understanding how processing windows could potentially impact square footage requirements of the network, and how square footage requirements could impact network costs.

- a-b. The decision to include or not include was based on whether letter of flat volume was reported in end-of-run for Fiscal Year 2009 in MODS for the facility. In addition, facilities were excluded if they could be presumed not to include operations for the processing of single-piece letter or flat mail, such as Logistics & Distribution Centers or Network Distribution Centers.
- c. The Postal Service continually updates its data and surveys the field to obtain the most accurate information possible. This analysis was performed early in Fiscal Year 2010. The subsequent modeling performed refreshed the data to reflect more accurate data sources.
- d. See the Attachment to this response.

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TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

6. File LR-USPS-N2012-1/47 tab "Sheet4" columns K through L contain machine square footage footprints. File LR-USPS-N2012-1/17 tab 'ModelMods' also contains machine square footage footprints. File LR-USPS-N2012-1/19 contains Handbook AS-504 "Space Requirements," which provides rules and guidelines for machine footprints. Please provide a crosswalk of the machine footprints contained in LR-USPS-N2012-1/47 and LR-USPS-N2012-1/17 with LR-USPS-N2012-1/19.

**RESPONSE:**

The Handbook AS-504 was used as a starting point for equipment footprint requirements. For LR-USPS-N2012-1/17, the footprint was inflated to account for the additional space potentially required under the new operating environment. The requested cross-walk is attached.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

**Attachment to Response to POIR 5 Question 6**

Equipment	Library Reference 47 - Worksheet entitled Sheet 4 (Cells K2:O27)					AS-504			Library Reference 17	
	Short Name	Foot Print	Staging	Aisle	Total	Page Number	Footprint	Notes	Actual	Model
AFCS	AFCS	2,294	20.0%	20.0%	3,303	87	2,294		3,893	4,866
MPBCS	MPBCS	1,676	15.0%	20.0%	2,313	110	1,676			
MLOCR	MLOCR	1,712	15.0%	20.0%	2,363	111	1,712			
DBCS	DBCS	1,656	15.0%	20.0%	2,285	134	1,656	(222 DBCS)	2,491	3,114
FSM1000	FSM1000	3,093	15.0%	20.0%	4,268	143	3,093			
SPBS	SPBS	11,154	20.0%	20.0%	16,062	152	11,154		16,384	20,480
AFSM100	AFSM100	5,344	15.0%	20.0%	7,375			Flat Mail Support Guide V1.1.	7,792	9,740
LCTS	LCTS	14,392	15.0%	20.0%	19,861					
APPS	APPS	32,004	20.0%	20.0%	46,086				59,079	73,848
LCUS	LCUS	9,666	15.0%	20.0%	13,339	180	10,000			
FSM	FSM	3,093	15.0%	20.0%	4,268	143	3,093			
OCR	OCR	1,712	15.0%	20.0%	2,363	106	1,712			
MANF	MANF				187	143	150			
MANL	MANL				94	75	87			
MANPM	MANPM				144	165	255			
UFSM1000	UFSM1000	3,093	15.0%	20.0%	4,268	143	3,093			
CIOSS	CIOSS	1,656	15.0%	20.0%	2,285			Used DBCS Footprint as Proxy		
DIOSS	DIOSS	1,656	15.0%	20.0%	2,285			Used DBCS Footprint as Proxy		
PSM	PSM	11,154	20.0%	20.0%	16,062			Used SPBS Footprint as Proxy		
NMO	NMO				187	135	187			
ROBOT	ROBOT	2,500	15.0%	20.0%	3,450	185	2,500			
SSM	SSM	9,666	15.0%	20.0%	13,339					
F/C	F/C	2,294	20.0%	20.0%	3,303	75	2,294			
CSBCS	CSBCS	1,656	15.0%	20.0%	2,285			Used DBCS Footprint as Proxy		
LIPS	LIPS	11,154	20.0%	20.0%	16,062			Used SPBS Footprint as Proxy		
FSS									28,000	35,000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

**Revised: March 9, 2012**

7. File LR-USPS-N2012-1/47 tab "Sheet1" column "AvgOfTFP" contains the average throughput by machine for each facility in LR-USPS-N2012-1/47.
- a. Please provide the source of this information, as well as any programs used to develop the output file.
  - b. Please confirm that the average of the tab "Sheet1" column C for each machine is used as the "throughput" in columns E and F of tab "Process Steps of Interest." If not, please explain.
  - c. Are the machine throughputs in tab "Sheet1" summarized in tab "Process Steps of Interest" the actual machine throughputs? If not, please explain.
  - d. USPS-T-3 Figure 1 on page 19 contains "Model Equipment Throughput." For example, it shows a throughput of 27,500 for the DBCS. In contrast, file LR-USPS-N2012-1/47 tab "Process Steps of Interest" presents the throughput of the DBCS in cell F31 as 38,035. Please explain the differences in machine throughputs between USPS-T-3 and LR-USPS-N2012-1/47.
  - e. In support of its FY2011 Annual Compliance Report, the Postal Service filed USPS-FY11-23, which contains the MODS productivities for FY 2011. Please explain the differences between the MODS productivities by machine in USPS-FY11-23 and LR-USPS-N2012-1/47. For example the "In BCS Secondary" TPF/Hour in tab "Table" cell I12 of 8,813 is substantially different from the DBCS throughput of 38,035 from LR-USPS-N2012-1/47.

**RESPONSE:**

- a. See the Attachment to this response.
- b. Confirmed.
- c. See the Attachment to the response to part a, which indicates:  
  
*round(sum(ad.total\_pieces\_fed\_cnt)/sum(ad.run\_time)\*3600,0) "Avg Throughput"*
- d. The Library Reference used the End of Run throughputs, while my testimony used the End of Run as a baseline and modified throughputs to better reflect throughputs under a new operating environment (one in which most volume will be staged prior to beginning the operation).

1123

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

**Revised: March 9, 2012**

**RESPONSE to QUESTION 7 (continued)**

- e. Productivities cannot be compared to throughput. Productivities represent the pieces process per workhour. The throughputs represent the capability of a given piece of machine to process mail by hour. Productivities will differ based on each specific machine, how the machine is configured, staffing indexes assigned to machines, as well as lunch and break factors.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

Revised: March 9, 2012

**Attachment to RESPONSE to QUESTION 7a**

Set head off  
set pagesize 30000  
set linesize 400  
set feedback off

Spool &1

--volumes and run times for all sort types

--8 April 2008

--modified 24 April to pull operations number from application\_data for better accuracy

```
select eor.site_id "Site ID", substr(pf.site_name,1,32) "Site Name",
       substr(mt.mach_type_desc,1,14) "Machine Type",
       eor.mods_date, trunc(ad.mail_operation_nbr/1000) "OpNum", count(ad.run_sequence_nbr)
```

"Runs",

```
       count(distinct eor.machine_id) "Machines",
       sum(ad.total_pieces_fed_cnt) "Tot Pcs Fed",
       sum(ad.total_pieces_accepted_cnt) "Tot Pcs Accepted",
       sum(ad.total_pieces_rejected_cnt) "Tot Pcs Rejected",
       round(sum(ad.run_time)/3600,2) "Run Time",
       round(sum(ad.total_pieces_fed_cnt)/sum(ad.run_time)*3600,0) "Avg Throughput"
```

```
from application_data ad, end_of_run eor, postal_facility pf, machine m, machine_type mt
```

```
where ad.run_sequence_nbr=eor.run_sequence_nbr
```

```
and pf.site_id=eor.site_id
```

```
and eor.mods_date>='01-jun-08'
```

```
and eor.mods_date<='01-jun-09'
```

```
and eor.machine_id=m.machine_id
```

```
and m.mach_type_code=mt.mach_type_code
```

```
and ad.run_time>0
```

```
and trunc(ad.mail_operation_nbr/1000)<>'750'
```

```
group by eor.site_id,substr(pf.site_name,1,32),substr(mt.mach_type_desc,1,14),
```

```
       eor.mods_date, trunc(ad.mail_operation_nbr/1000)
```

```
order by substr(pf.site_name,1,32),substr(mt.mach_type_desc,1,14),
```

```
       eor.mods_date, trunc(ad.mail_operation_nbr/1000);
```

Spool off

exit

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

8. In response to POIR No. 2, question 2, the Postal Service provided LR-USPS-N2012-1/46, which contains a regression of facility square footage to operating costs.
- a. Please confirm that the regression results are divided by 365 for use as inputs in the LR-USPS-N2012-1/15 LogicNet Model. If not, please explain.
  - b. Please confirm that 320 facilities were included in the regression. If not, please explain.
  - c. Please explain how the decision to include and exclude facilities in the regression was made.
  - d. Please provide a regression of operating cost to square foot for all facilities included in the LogicNet model provided in USPS-N2012-1/15.
  - e. In USPS-N2012-1/15, most facilities use the results of the regression for its RT production costs (0.652, 0.545, or 0.367). Please provide the workpapers used to develop the RT production costs for each facility in USPS-N2012-1/15 that does not use the results of the regression.
  - f. Please explain how the midpoints for the linear cost slope of the polynomial function were chosen. Please specifically discuss the differences between the midpoint (e.g., 105,000 square feet for the 0-210,000 square feet group) and the mean and median of each group (e.g., mean of 83,585 and median of 69,295 for the 0-210,000 square feet group).
  - g. Please explain why the cost function regression was applied to groups of facilities, as opposed to individual facilities.

**RESPONSE:**

- a. Confirmed with a clarification. The slope of the regression equation evaluated at the midpoint for each group is divided by 365 to obtain the RT Production Cost for each unit (sqft).
- b. Not confirmed. 321 facilities were used in the regression analysis.
- c. Facilities that had complete financial information (Cost for Line 11 and 23 ops, Admin Cost, and Supply Cost) and a vetted facility square footage

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 5**

**RESPONSE to QUESTION 8 (continued)**

- were included. Those that did not have complete financial information and vetted square footage were excluded.
- d. This cannot be done because data used to perform the regression do not exist for all facilities.
- e. Please see Library Reference USPS-N2012-1/46. Most of the calculations are in the Operational Cost per SF for Logicnet.xls workbook on the "Summary w new sqft" tab. The slope of the regression equation (Total Operation Cost = - 789116 + 256.4 Vetted Sq ft - 0.000087 Vetted Sq ft\*\*2 ) is  $256.4 - 0.00174 \cdot \text{Vetted Sq ft}$ . Evaluated at 105,000, 330,000, and 725,000 results in values of 238.13, 198.98, and 130.25 respectively. To convert to RT Production Cost, the slope of each line is divided by 365, resulting in costs of 0.652, 0.545, and 0.357 respectively.
- f. In evaluating the incremental cost for each group (small, medium, and large), the slope at the midpoint was used because it is equally representative of the entire range for each group.
- g. The cost functions were developed and applied within the model so that the model could assign a different sized operation, with a different cost structure, to a facility and incorporate the resulting financial impact within the model.

**RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS ROSENBERG TO  
PRESIDING OFFICER'S INFORMATION REQUEST NO. 1**

3. In Docket No. N2006-1, Evolutionary Network Development Service Changes, 2006, the Postal Service used LogicNet Plus software.
- a. Please confirm that the model sponsored by witness Rosenberg (USPS-T-3) in Docket No. N2012-1 uses the same software. If not confirmed, please explain.
  - b. Please describe any differences between the Evolutionary Network Development modeling process presented in Docket No. N2006-1 and the modeling process presented in Docket No. N2012-1 regarding:
    - i. scope, such as network structure and/or different constraints;
    - ii. inputs;
    - iii. outputs; and
    - iv. assumptions.

**RESPONSE**

- (a) The Logic Net software was used for both N2006-1 as well as N2012-1.
- The model objective is similar to minimize cost subject to a base set of constraints. However, the constraints are different. Note, the LogicNet Model software has been upgraded. The IBM ILOG Logic Net Plus 6.0 XE and LogicNet Plus XE 7.1 was used for N2012-1.
- (b)
- (i) The scope of N2006-1 included network facilities, while N2012-1 focuses on mail processing plants only. In N2006-1, facility expansion was considered, but that is not the case for N2012-1. In N2012-1, a reduced set of nodes were part of the model as a result of consolidations that occurred between the 2006 and 2012 cases.

**RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS ROSENBERG TO  
PRESIDING OFFICER'S INFORMATION REQUEST NO. 1**

**RESPONSE TO QUESTION 3 (continued)**

- (ii) In general, the inputs were the same. Site specific cost data was used for opening and closing costs.
- (iii) The outputs are the same, 3-digit customer to plant assignment by product.
- (iv) The no expansion constraint is the biggest change in assumptions.

**RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS ROSENBERG TO  
PRESIDING OFFICER'S INFORMATION REQUEST NO. 1**

6. Please refer to library reference USPS-LR-N2012-1/14 file "14\_Mail Processing Window Scoring Tool.xls" tab "Wrkld Regression" which contains the following table.

$$\text{LABOR HOURS} = \text{Core} + \text{Variable} * \text{Volume} / 1000$$

	Small		Medium		Large	
	Core	Variable	Core	Variable	Core	Variable
CANC	1187	0.144	520	0.194	1630	0.202
L-OGP	829	0.158	-633	0.229	-6426	0.289
L-INP	866	0.182	35	0.214	24896	0.185
L-INS	-165	0.109	-7507	0.136	-11229	0.142

Variable is hours per thousand pieces  
Core is hours per annual operation

- a. Please define and explain the significance of:
  - i. CANC;
  - ii. L-OGP;
  - iii. L-INP;
  - iv. L-INS;
  - v. Core;
  - vi. Variable
- b. Please provide the quantitative definition of "Small," "Medium," and "Large."
- c. Please provide the source of the data presented in the table, as well as any underlying studies or workpapers used to develop these data.
- d. Please identify where in the IBM LogicNet model this data is used, explain the purpose of this data within the context of the IBM LogicNet model, and explain how this information was integrated into the LogicNet model.

**RESPONSE**

- (a) (i) CANC: FY2010 MODS Cancellation Workload.
- (ii) L-OGP: FY2010 MODS Letter Outgoing Primary Workload.
- (iii) L-INP: FY2010 MODS Letter Incoming Primary Workload.
- (iv) L-INS: FY2010 MODS Letter Delivery Point Sequence First Pass Workload.

**RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS ROSENBERG TO  
PRESIDING OFFICER'S INFORMATION REQUEST NO. 1**

**RESPONSE TO QUESTION 6 (continued)**

- (v) Core: The fixed component of the regression to predict labor hours, i.e. not volume variable. The labor hours that exists for setting up an operation to sort either 1 piece or 1 million pieces.
  - (vi) Variable: The additional labor hours required for each additional piece of mail that needs to be sorted.
- (b) Small: Building Square Footage less than 210,000 SF;  
Medium: Building Square Footage between 210,000 SF and 450,000 SF;  
Large: Building Square Footage greater than 450, 000 SF.
- (c) See USPS Library Reference N 2012-1/46.
- (d) Line costs are the manufacturing or labor costs. The linear cost functions from the polynomial functions for per piece per day per square foot cost was used to create line options (low volume, medium volume, and high volume) with different costs per piece.

1 CHAIRMAN GOLDWAY: Is there any additional  
2 written cross-examination for Witness Rosenberg?

3 MR. STOVER: Madam Chairman, David Stover  
4 for the Greeting Card Association. I have two batches  
5 of additional material.

6 CHAIRMAN GOLDWAY: You may.

7 MR. STOVER: These are responses, which were  
8 received on the 20th, and they're in two batches  
9 because some of them are institutional, most are Ms.  
10 Rosenberg's.

11 CHAIRMAN GOLDWAY: Have you had a chance to  
12 share them with counsel?

13 MR. STOVER: Mr. Tidwell or Mr. Hollies  
14 rather got a copy this morning and I have copies for  
15 counsel and the reporter and the witness now.

16 MR. TIDWELL: Before we proceed, Madam  
17 Chairman, counsel indicated that some of them were  
18 institutional responses?

19 MR. STOVER: That's correct.

20 MR. TIDWELL: It would seem that this would  
21 not be the appropriate time to try to move them into  
22 evidence. My understanding is there's going to be a  
23 process tomorrow through which institutional responses  
24 are going to be going into the record.

25 CHAIRMAN GOLDWAY: It seems fair to me.  
26 Let's do just Ms. Rosenberg's.

1 MR. STOVER: All right. I have one batch  
2 then.

3 CHAIRMAN GOLDWAY: Thank you very much.  
4 Ms. Rosenberg, have you had an opportunity  
5 to look at these?

6 THE WITNESS: I have not.

7 (Pause.)

8 CHAIRMAN GOLDWAY: They seem to be in order?

9 THE WITNESS: Yes, they are.

10 CHAIRMAN GOLDWAY: So, if you were to answer  
11 them orally today, the information would be the same?

12 THE WITNESS: Yes.

13 CHAIRMAN GOLDWAY: If everything is in  
14 order, the counsel has already provided two copies of  
15 the cross-examination, of the additional designated  
16 cross-examination to our court reporter, so that  
17 material is received into evidence and it is to be  
18 transcribed.

19 (The document referred to was  
20 marked for identification as  
21 GCA written cross and was  
22 received in evidence.)

23 //

24 //

25 //

26 //

Before the  
 POSTAL REGULATORY COMMISSION  
 Washington, DC 20268-0001

Mail Processing Network :  
 Rationalization Service : Docket No. N2012-1  
 Changes, 2012 :

**REETING CARD ASSOCIATION SUPPLEMENTAL DESIGNATION  
 OF WRITTEN CROSS EXAMINATION  
 OF POSTAL SERVICE WITNESS ROSENBERG**

The Greeting Card Association (GCA) designates the following interrogatories and responses, with attachments where applicable, as written cross examination of Postal Service witness Rosenberg (USPS-T3):

GCA/USPS-T3-20 to -23, -34, -40, -42, -45, -46, - 48, -49

Two copies of the designated material are being filed separately with the Secretary.

March 22, 2012

Respectfully submitted,

**REETING CARD ASSOCIATION**

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-20**

On the first page appended to your testimony, for each operation under VOLUME, please state the *current* machine efficiency percentage.

**RESPONSE**

I am not aware of a page being appended to my testimony. Please clarify.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-21**

- (a) On the first page appended to your testimony under WORKLOAD WINDOWS, please explain why in the newly proposed network cancellation would have a labor efficiency of only 52 percent, whereas the other windows would have labor efficiencies of 70 percent to 84 percent?
- (b) You state labor efficiency is measured as “the ratio of current labor work-hours to expected labor workhours”. Please define “expected labor workhours” as that expression is used here. (Does 52 percent, for example, mean then that there will be roughly double the labor workhours after network rationalization than there are now?) Please explain your answer fully.

**RESPONSE**

(A-B) I am not aware of a page being appended to my testimony. Please provide a citation to the specific document to which you are referring and, if it is associated with my testimony, I will endeavor to respond.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-22**

On the first page appended to your testimony under VOLUME please provide, or give citations to, a full description of each operation listed.

**RESPONSE**

I am not aware of a page being appended to my testimony. Please provide a citation to the specific document to which you are referring and, if it is associated with my testimony, I will endeavor to respond.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-23**

- (a) On the first page appended to your testimony, under EQUIPMENT, please explain whether a blank space under the square foot column means the machinery (i) is part of current inventory but not in use at present, or (ii) is part of current inventory but will not be after network realignment, or (iii) something else. If your answer is (iii), please explain fully the meaning of the blank space.
- (b) Does the "# available" column for the row "Automation" under EQUIPMENT mean that the current inventory of all automation equipment is 7,503, and that 12 the subsequent rows in that column break that total down by type of machine? Please explain your answer.
- (c) Why is the average per square feet per machine identical at 2,491 as between the rows labeled "Automation" and "DBCS"?

**RESPONSE**

(A-C) I am not aware of a page being appended to my testimony. Please provide a citation to the specific document to which you are referring and, if it is associated with my testimony, I will endeavor to respond.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION INTERROGATORY**

**GCA/USPS-T3-34**

On page 10 lines 8-9 you conclude that "[c]ancellation and outgoing operations, under the Network Rationalization concept, would only need to be transported within the building." In light of this conclusion, please explain fully why the labor efficiency for the cancellation window is so low at 52 percent, both absolutely and relative to other WORKLOAD WINDOWS (70 percent - 84 percent) in the first page appended to your testimony?

**RESPONSE**

I am not aware of a page being appended to my testimony. Please provide a citation to the specific document to which you are referring and, if it is associated with my testimony, I will endeavor to respond.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION'S INTERROGATORIES**

**GCA/USPS-T3-40**

In your answer to GCA/USPS-T3-8(b), you state that "The scoring tool includes a subset of the iterations run." You also note that "no document that includes all iterations". For the subset of the iterations run, please answer the question as specified in the last two sentences of (b).

**RESPONSE**

The scoring tool did not distinguish operating windows between single piece and presort letter mail. All iterations were run based on letters collectively.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION'S INTERROGATORIES**

**GCA/USPS-T3-42**

- (a) With respect to your answer to GCA/USPS-T3-10, are all such potential future locations taken from existing locations, or are some nodes entirely new proposed locations?
- (b) If your answer in (a) states there are no new nodes, please explain why approximately the surviving half of an old network built for a different set of circumstances can "optimize" the Postal Service's needs for the future.

**RESPONSE:**

- A. For the scoring tool, the nodes were theoretical processing nodes. No specific location is provided. The scoring tool was a strategic initiative to create a starting point for discussion around potential operating windows.
- B. Not applicable.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION'S INTERROGATORIES**

**GCA/USPS-T3-45**

The correct reference for the questions posed in GCA/USPS-T3-16 is LR 14\_REP, Excel File 14\_mail processing window scoring tool. There is no page number for the page in question, but there is an explanatory paragraph at the top of the page which begins: "When generating results, the tool calculates savings one scenario at a time." With this clarification in mind, please answer the three parts of this question.

**RESPONSE**

- A. No. The model is built to work on day increments.
- B. The analysis proposed is outside the scope of the modeling.
- C. The model is self-contained. All the data required to adjust the model to work on hourly increments are available for parties seeking to engage in such alternative analysis. Parties are free to adjust many assumptions to see the impacts of their sensitivity analyses.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION'S INTERROGATORIES**

**GCA/USPS-T3-46**

The correct reference for the questions posed in GCA/USPS-T3-20 - 23 is LR 14\_REP, Excel File 14\_mail processing window scoring tool. There is no page number for the page in question, but there is an explanatory paragraph at the top of the page which begins: "When generating results, the tool calculates savings one scenario at a time." With this clarification in mind, please answer the four cited interrogatories.

**RESPONSE**

The term "machine efficiency" was coined for modeling. There is no metric that measures machine efficiency in this context.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION'S INTERROGATORIES**

**GCA/USPS-T3-48**

The reference for the second sentence of GCA/USPS-T3-34 is LR 14\_REP, Excel File 14,\_mail processing window scoring tool. There is no page number for the page in question, but there is an explanatory paragraph at the top of the page which begins: "When generating results, the tool calculates savings one scenario at a time." With this corrected citation, please answer the question.

**RESPONSE**

This labor efficiency was used to calibrate the model. Given the operating window for cancellation is approximately four and half hours, only a little over half of an 8 hour employee's time would be working the AFCS. The AFCS is only used for the cancellation operation.

.....  
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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG  
TO GREETING CARD ASSOCIATION'S INTERROGATORIES**

**GCA/USPS-T3-49**

Please refer to your answer to GCA/USPS-T3-36., specifically the first two items listed on your six point binary scale.

- (a) Please confirm that your usage of the term "service standard" means the current service standard. If you do not confirm, please explain your usage of "service standard."
- (b) Please confirm that if 99 percent of the single- piece mail met the current service standards for the first two items on your six point binary scale, and only 1 percent did not, the network scenario envisioned would in essence be deemed infeasible for 100 percent of that mail.
- (c) Please assume, hypothetically, that service standards were changed so that all mail meeting the criteria of the first two items on your scale (the 99 percent referenced in (b)), would be processed using current service standards, and the 1 percent would be processed for delivery a day later using an additional, modified standard for it. Please confirm that under such an assumption a number of the new networks that were deemed infeasible under your assumptions, would then be deemed feasible. If you do not confirm, please explain.
- (d) Assuming the service changes proposed in (c), please confirm that there would be a number of feasible new networks that did not eliminate overnight delivery for all single – piece FCLM. If you do not confirm, please explain.
- (e) Assuming the service changes proposed in (c), please confirm that there would be a number of feasible new networks with less mail processing equipment and facilities than at present. If you do not confirm, please explain.

**RESPONSE:**

- A. No. Service standard refers to the service standard in the model.
- B. Confirmed.
- C. See the response to GCA/USPS-T3-12. There is a single service standard for every 3-digit ZIP Code origin-destination pair for First Class Mail.
- D. See the response to part C.
- E. See the response to part C.



1                   CHAIRMAN GOLDWAY: And that should conclude  
2 the written designated cross-examination and we now  
3 proceed with oral cross-examination. Four  
4 participants have requested oral cross-examination:  
5 the American Postal Workers Union, AFL-CIO, Mr.  
6 Anderson -- oh, Ms. Wood. Greeting Card Association,  
7 Mr. Stover; National Postal Mail Handlers Union, Ms.  
8 Keller; and the Public Representative, Mr. Laver. Is  
9 there anyone else wishing to cross-examine Ms.  
10 Rosenberg today?

11                   (No response.)

12                   CHAIRMAN GOLDWAY: Okay. So, Ms. Wood,  
13 would you like to proceed?

14                   MS. WOOD: Yes. Thank you, Madam Chairman.

15                   CROSS-EXAMINATION

16                   BY MS. WOOD:

17                   Q     Hi, Ms. Rosenberg. Good afternoon. My name  
18 is Jennifer Wood. I represent the American Postal  
19 Workers Union. I'm hoping to take up very little of  
20 your time. So far I have six questions. So I just  
21 need clarification.

22                   A     Okay.

23                   Q     The first one is during what time did you  
24 undertake your modeling efforts?

25                   A     I would think approximately a year and a  
26 half ago. It was sometime after the end of FY 2010.

1 And I guess I should clarify too when you talk  
2 "modeling efforts," you're talking about exactly what  
3 was in the testimony in terms of -- okay.

4 Q Yes, that's exactly --

5 CHAIRMAN GOLDWAY: Is your microphone on?

6 THE WITNESS: It is. I can move closer.

7 CHAIRMAN GOLDWAY: All right. Maybe you can  
8 pull it a little closer to you. Thank you.

9 THE WITNESS: You're welcome.

10 BY MS. WOOD:

11 Q Okay. And then another -- well, a  
12 clarification question. The library reference, USPS  
13 N2012-1/34, could you explain to me where the list of  
14 facilities contained in this library reference come  
15 from?

16 A Is it possible you can show me the actual  
17 library reference itself, and then I could --

18 Q Sure. Do you not have it?

19 A I have the prefaces for --

20 Q I only have one copy. I'm not going to ask  
21 you about the contents of it necessarily.

22 MS. WOOD: Is it okay to approach?

23 CHAIRMAN GOLDWAY: Approach the witness by  
24 all means.

25 THE WITNESS: I actually have the whole  
26 thing. Sorry about that. So basically the -- yes,

1 I'm okay with that. Thank you. So the results of  
2 these are a result -- as defined in my testimony, we  
3 went through a multi-step process. We ran the logic  
4 net model, which assigns ZIP codes to plants. Once we  
5 had the ZIP, what we call ZIP assignment mapping,  
6 we -- I probably shouldn't use the collective "we" --  
7 the Postal Service -- I participated in some of those  
8 calls or some of those meetings, not all -- met with  
9 the areas. This library reference is a result of  
10 whether the model opened.

11 What we wanted to do here is then also so  
12 that it could talk to other witnesses' results, they  
13 wanted to know whether it was a mod site, because  
14 Witness Bradley deals with mod sites with his  
15 testimony. So they wanted a single reference that  
16 allowed you to walk through the different pieces and  
17 then the eMARS site, because Dominic references eMARS  
18 and not all sites necessarily that we modeled are  
19 eMARS sites or mod sites. So the model opens is our  
20 actual processing note in the future network as a  
21 result.

22 BY MS. WOOD:

23 Q Okay. So the --

24 MR. TIDWELL: Pardon. Just for the record,  
25 Dominic would be Dominic Bratta?

26 THE WITNESS: Oh, yes, thank you. Excuse

1 me.

2 BY MS. WOOD:

3 Q So then the list of facilities in Library  
4 Reference 34 is the output from your modeling or --

5 A And I believe the local inside -- I would  
6 have to -- if I could just subject to check, I believe  
7 if that totaled up to the 199, it's the result of the  
8 modeling as well as the local insights. So I guess  
9 it's a misnomer to just say model opens here.

10 Q Okay.

11 A I think that's what you're trying to get at.

12 Q Right. And so the only two people that you  
13 spoke with if it's correct as you have described it,  
14 then you got the additional facilities from Witness  
15 Bratta and --

16 A No, I went into systems. So basically --  
17 okay, I understand what your question is. I  
18 apologize. So basically we went into current systems  
19 and there's a system called Mods. It's Management --  
20 I'm not sure of the acronym, but basically it contains  
21 workload and work hours and a bunch of additional  
22 information. So we went into the system and did a  
23 manual crosswalk to say is this facility exist within  
24 that system. And then, likewise, with eMARS, we got  
25 an extract of that data set to say do these facilities  
26 exist in there so that you can kind of cross-reference

1 both the modeling to some of the other library  
2 reference or other witnesses so you can know what was  
3 included and what would be excluded.

4 Q Okay.

5 A It was done afterwards just to help with  
6 making all the library references communicate.

7 Q Okay. So this was the material -- so then  
8 what is contained in -- this Library Reference 34 was  
9 relied on by these other witnesses, including the  
10 costing witnesses like Mr. Bratta to come up with  
11 their cost savings numbers?

12 A Basically I shouldn't say that it was relied  
13 upon. I cannot speak for Witness Bradley's or Witness  
14 Bratta's responses. But since Witness Bratta does  
15 rely on eMARS data, this just says whether this  
16 facility actually resides within there. So I can't  
17 say that they actually relied on it, but this way you  
18 would at least know whether the facility that's being  
19 reference was -- information was available in those  
20 other data systems.

21 Q Okay. So the list of facilities that are in  
22 this library reference, Library Reference 34, were any  
23 of them that show up in this library reference and  
24 listed as open, were any of them closed between 2010  
25 and now?

26 A I would have to check that for you. I can't

1 speak -- I speak off the top of my head. I think this  
2 list is a list of almost 690 --

3 Q Well, when was this list compiled?

4 Q The list was compiled later, but it  
5 referenced when we built our models so that probably  
6 the data in here is Legacy data is what I would  
7 imagine. So there is a possibility that some sites  
8 were closed. And I actually think if you look at the  
9 notes towards the end of this file, you have FY 2010  
10 Mods closed. So I guess the answer to your question is  
11 yes, it's actually the notes on the last page of that  
12 library reference.

13 Q Okay. So then, as your starting point, some  
14 of the facilities that you use as the starting point  
15 of your modeling have now been closed, but they may  
16 have been active --

17 A We did not include them in the model. We  
18 just wanted to get the broad scope of any facility  
19 that we might have had information for. So this is  
20 not the set of facilities that was modeled. You'd  
21 have to go to the LogicNet library reference from that  
22 standpoint.

23 Q Okay. So maybe this leads -- I think that  
24 leads fairly well into what I hope is my last  
25 question. Could you then -- so I'm looking now at  
26 Library Reference USPS-LRN2012-1/57 that is titled

1 "Facilities in the Postal Service Network." Now I  
2 understand that this is not a library reference  
3 sponsored by you. This is actually from Witness Neri.  
4 But are you at all familiar --

5 A I am not -- if you show it to me, I can take  
6 a look, but I'm not familiar with Witness Neri's  
7 library reference.

8 Q I would just like to know, because this as I  
9 understand it is supposed to represent the universe of  
10 facilities in the postal network.

11 A Is it a list of 461 facilities?

12 Q It actually lists 487 facilities.

13 MS. WOOD: Can I show this to the witness?

14 CHAIRMAN GOLDWAY: Go ahead. Approach the  
15 witness.

16 (Pause.)

17 BY MS. WOOD:

18 Q This is the only copy I have, but I'm  
19 wondering what, if any, relationship the facilities  
20 that are listed in this --

21 A I unfortunately can't speak to this since  
22 it's the first time I'm seeing it, so I don't know  
23 exactly what Witness Neri's list of facilities  
24 references.

25 MR. TIDWELL: We would note that Witness  
26 Neri will be here tomorrow and since it's his library

1 reference --

2 CHAIRMAN GOLDWAY: We can ask him. But one  
3 of the questions is what the relationship is between  
4 the different facilities that are being reviewed and  
5 planned for closure, if Witness Neri is using one set  
6 and you're using another.

7 BY MS. WOOD:

8 Q I'm sorry, if you don't mind, I'd like to  
9 add to that. That's right. I just want to clarify  
10 your testimony. From earlier, you said that LR34 was  
11 a listing of the facilities that you could get  
12 information on and you got from the local inside. And  
13 then this LR57 is supposed to represent the total  
14 universe, and I'm just trying to understand then why  
15 they're not the same.

16 A And, again, I can't answer that because I  
17 don't know where Witness Neri -- if I understand where  
18 he got it from, I could probably reconcile that for  
19 you. All I know is the list that we created here was  
20 the list that we were able to obtain data from. And  
21 what we were asked to do is based on our modeled  
22 facilities say what other systems that they may have  
23 come from, so depending on whether the timeframe of  
24 where they crosswalk. So I unfortunately can't answer  
25 your question right now. I need to get more  
26 information from Witness Neri.

1           Q     Okay.  So then what generally were the  
2           limitations on your ability to get information about  
3           the facilities that ended up in your Library Reference  
4           34?

5           A     Okay.  So excellent question.  Basically we  
6           have different data systems and different systems pull  
7           data for different reasons and they manage data for  
8           different reasons and I am not an expert on those  
9           systems to know what they're supposed to track.  So  
10          either the Postal Service will probably have to  
11          reference exactly what they're supposed to track in  
12          there.  But what we wanted to do was at least based on  
13          the fact that -- and I believe and Witness Bradley  
14          could probably talk to this better.  He did rely on  
15          Mods data, so it was important to know what I modeled  
16          and whether that was a Mods site so that again he can  
17          probably -- and I think he is also here tomorrow --  
18          can explain if it wasn't a Mods site or it was a Mods  
19          site and how that might have affected any of his  
20          savings or what he's testifying to.

21                 MS. WOOD:  Okay.  Well, I think that that  
22          provided a good clarification for me.  Thank you very  
23          much.  That's all the questions I have right now.

24                 THE WITNESS:  Thank you.

25                 CHAIRMAN GOLDWAY:  Thank you.  The next one  
26          will be Mr. Stover from the Greeting Card Association.

1 MR. STOVER: Thank you, Madam Chairman.

2 CROSS-EXAMINATION

3 BY MR. STOVER:

4 Q Thank you, Ms. Rosenberg. I'm David Stover.  
5 I represent the Greeting Card Association. Could you  
6 go to your prepared testimony, please, at page 21?  
7 And at lines 5 and 6 on that page, you tell us -- you  
8 describe meetings with, and I'm quoting now,  
9 "headquarters and field mail processing and  
10 transportation experts." To your knowledge, now did  
11 these meetings involve only individuals from the  
12 network operations department of the Postal Service?

13 A I don't have a good recollection to feel  
14 that I can give you an accurate answer. The people  
15 that I would recall were from network operations, but  
16 that doesn't mean that the only people were from  
17 network operations from headquarters.

18 Q Do you happen to remember if any of them,  
19 which you can recall, there was anyone from the post  
20 office and delivery operations department of the  
21 Postal Service? Does that ring any bells?

22 A I don't remember them being there, but I'm  
23 not as familiar with some of those teams, so my  
24 memory --

25 Q Okay, thank you. Now I want to go to a GCA  
26 interrogatory, please, and this is No. T3-7b. And I

1 want to be sure I understand your answer to 7b.

2 A Right.

3 Q Does this answer mean that things happened  
4 in the following sequence: first, a decision was made  
5 to do away with the overnight standard. Then, two, the  
6 modeling was performed; and then, three, the  
7 distribution of two-day and three-day standards among  
8 the ZIP code pairs was dictated or largely dictated  
9 let's say by the results of the modeling?

10 A And I think you accurately depict it. So  
11 basically we had a concept. Based on this concept of  
12 eliminating overnight, we built a LogicNet model which  
13 assigns ZIP codes to plants. Once we knew the ZIP  
14 code to plant pairing from the strategic standpoint,  
15 then, again, because it was just a starting point, but  
16 once you know the transportation, you can then  
17 determine what would be two-day based on a certain set  
18 of rules and based on your operating windows and what  
19 would have to be three-day. But, again, this is from  
20 the strategic initiative. It's not the final results.

21 Q But the sequence I mentioned is roughly  
22 correct?

23 A Yes, I think that's an accurate depiction.

24 Q Okay, thank you. Now let's go to GCA-T3-  
25 12b. And in answering that interrogatory, you  
26 explained to us that late arriving mail is mail that

1 arrives close to the end of the operating window, and  
2 I want to be sure I understand that characterization.  
3 Would you say that late arriving mail is mail that  
4 arrives at such a time that the people who are  
5 operating the plant can readily see that it cannot be  
6 worked before the end of that operating window?

7 A I'd like to clarify. It's not that it can't  
8 be worked before the end of the window, but maybe  
9 additional equipment would need to be required in  
10 order to be able to process all of that mail. So late  
11 arriving mail often will still be processed and they  
12 will run past their time, but that can impact any kind  
13 of transportation or other components from the  
14 network. Does that address your question?

15 Q Let me be sure I understand the  
16 clarification. Let's suppose that mail comes in  
17 toward the end of the operating window and the plant  
18 management says, well, if we're going to work this  
19 mail, we need to activate another machine or we need  
20 to run this machine faster or we need to do fewer  
21 separations than we were hoping to, but we can get the  
22 mail worked in some fashion.

23 A I would just want to clarify your answer.  
24 In these cases, if all the volume is there, I don't  
25 know that you can necessarily run a machine faster  
26 under that circumstance, nor does making less

1 separations because if you were to determine that, oh,  
2 the mail is prepped to this level and we're just going  
3 to send it to the delivery unit, then you're putting  
4 all this manual work back at the carrier end exits.

5 Q Well, then I guess I'm a little puzzled by  
6 your use of the phrase, "more equipment would be  
7 needed." Can you elucidate that a little bit?

8 A Yes. Well, if you have a machine that can  
9 run 10 pieces in a minute and you have 1,000 pieces  
10 running -- coming in -- actually now I forgot what I  
11 just -- assume you can run 10 pieces in 10 minutes,  
12 make it a little bit of a simpler thing, and you get  
13 1,000 pieces coming in 10 minutes before your arrival,  
14 the only way to process that by the clearance time to  
15 be able to make all your transportation is to activate  
16 all those additional machines to run. You may not  
17 have those machines in that facility to run and then  
18 the question becomes do you want to have equipment  
19 within those buildings just for those last 10 minutes  
20 of the evening and only use them during that window.  
21 I guess that's -- so when I say "late arriving mail,"  
22 we need to -- it impacts how the mail gets processed  
23 in the other --

24 Q So that if I understand you correctly, if  
25 you have a plant where the machines are all running  
26 and a batch of mail comes in late, that is the plant

1 which doesn't have any more equipment to deploy if the  
2 equipment is already in use, if there were such a  
3 place?

4 A Well, if all the equipment is running, then  
5 I would say there would be no additional equipment to  
6 turn on. If there is equipment to turn on, it  
7 certainly can. But what we have to be careful of is  
8 this is all in the guise of DPS, delivery point  
9 sequencing. With delivery point sequencing, you have  
10 two passes of mail. The first pass puts everything in  
11 actual delivery point order, so regardless of what  
12 carrier, all delivery point ones will go in bin one,  
13 all delivery point twos go in bin two. Then once you  
14 have that, you refeed that mail into the second pass  
15 that now sorts it by the carrier and delivery point.  
16 So, if you have late-arriving mail, you can't even  
17 finish your second -- really do your second pass until  
18 all of your first pass volume is there.

19 And I probably should have clarified this at  
20 the beginning is this question in the late-arriving  
21 mail all revolves around delivery point sequencing, so  
22 it's critical that all of the mail and volume is there  
23 to run through your first pass to be able to  
24 successfully do your second pass and make sure you  
25 don't have missed sequence pieces.

26 Q Yes. Well, then I think I understand better

1 now. So would it be true to say that whether a given  
2 quantity of mail is late-arriving mail, as you've used  
3 the phrase, that is determined at least partly by how  
4 big a quantity it is in relation to the time remaining  
5 in the processing window?

6 A Well, so I guess I should -- given that it's  
7 about delivery doesn't even matter -- even if it's a  
8 single piece, you can't flip over from first pass to  
9 second pass until you've run all your pieces through  
10 first pass. So I guess I should have read the  
11 question a little bit more carefully.

12 Q All right. Well, let's look at the first  
13 pass. Let's say that a batch of mail comes in while  
14 the plant is engaged in DPSing on the first pass and  
15 they decide there's not much of it. We could probably  
16 put it in with the mail that we're already working,  
17 get it all done and get the second pass finished in  
18 time to meet the dispatchers.

19 A Well, the unique thing about DPS also is  
20 it's not that you can just run DPS mail on any  
21 machine. It's scheme-specific because, at this point,  
22 you're going to where the carrier -- you're putting  
23 the mail in the carrier walk sequence. So it's not  
24 just to say, oh, this machine over here has some  
25 additional room, I can run on it. It's got to get put  
26 on the machine that is running the volume for that

1 carrier, that's doing that carrier route sequencing.

2 Q So, in other words, it's much too simple to  
3 say that there's a relation between the quantity of  
4 mail that comes in late and the amount of time left in  
5 the window. Okay.

6 A That's correct.

7 Q Now let's go to GCA-T3-18. This is just a  
8 clarification. At the end of that answer, you use the  
9 expression, and I'm quoting again, "Some zones have  
10 already been finalized for the next day's delivery."  
11 Now are those the zones that fall within the current  
12 overnight standard for that plant in question?

13 A I'm just going to read the question fully --

14 Q Yes, sure.

15 A -- so I make sure that I don't cause any  
16 more confusion if that's all right.

17 (Pause.)

18 THE WITNESS: Okay. Having said that, would  
19 you just repeat your question?

20 BY MR. STOVER:

21 Q Okay. My question revolved around the  
22 phrase at the very end of your answer where you talk  
23 about "Some zones have already been finalized for the  
24 next day's delivery." Now are those zones that will  
25 have been finalized in that way, are they zones that  
26 fall within the current overnight standard for that

1 plant in question --

2 A This description --

3 Q -- or the model standard?

4 A From my understanding of this question and  
5 the way that it's phrased, it's all looking at the  
6 future network.

7 Q The model. So it would be --

8 A Exactly. It's all based on --

9 Q -- what you sometimes call the modeled  
10 network?

11 A Exactly from the model, exactly. So it's  
12 all network rationalization.

13 Q Or the model standard. Okay, thank you.  
14 Now I would like to look at your answer to T3-35.  
15 This is subpart B. And this is the one where you  
16 explained why you didn't think we could treat the DPS  
17 window as a continuous function. But what I'm  
18 interested in for the moment is a phrase in that  
19 paragraph where you say, I'm quoting again, "DPS  
20 processing is contingent upon both mail volumes and  
21 delivery points." And for purposes of this question  
22 that I'm going to ask you now, let's hold delivery  
23 points constant and concentrate on the other. In  
24 using the expression I just quoted, are you assuming  
25 that the throughput of the machines in question is a  
26 constant?

1           A     So I think I need to clarify. I don't think  
2 you can take delivery points out of the picture and  
3 part of the reason is if you only have a 10-bin  
4 machine and you have 15 delivery points, you can do  
5 some wrap factors. So you can combine zones and merge  
6 zones, which will create more volume, but you can only  
7 do that until you maximize the amount of zones --  
8 those delivery points that you can put on there. So  
9 there's other components. So I don't think you can  
10 disentangle the two pieces unfortunately.

11           Q     Okay. Well, then I won't try to do that.  
12 Then I'll simplify my question a little further and  
13 let's just look at the machines. Does the analysis  
14 which your answer reflects assume that machine  
15 throughput, pieces per hour, however you want to  
16 express it, is a constant?

17           A     Yes.

18           Q     And so all else equal, if we hypothetically  
19 assumed DPS equipment with a higher throughput than  
20 the equipment which was in use at time T, let's say at  
21 T1 we have equipment which as a 20 percent higher  
22 throughput, would that imply that the same volume of  
23 mail could be sequenced in less time?

24           A     From a purely mathematical standpoint --

25           Q     That's all I'm talking about.

26           A     -- if you have a constant volume and you

1 have a higher throughput, yes, you can run that in a  
2 shorter amount of time.

3 Q Oh, I should go back and this is sort of a  
4 global question about your whole exercise, which I  
5 probably should have asked at the beginning. Does  
6 everything or substantially everything you've done  
7 work from fiscal 2010 data?

8 A Yes, and the reason was and based on the  
9 question that was asked earlier is that was the most  
10 timely data we had at the time of modeling.

11 Q Yes. Now let's turn to -- this is one of  
12 the new ones that you were just shown a few minutes  
13 ago. This is No. 46. And this is one of the ones  
14 where we asked a question that wasn't clear to you on  
15 the first round and you asked us to clarify it. And I  
16 assume from the answer that you gave to 46 that you  
17 found the clarification to be reasonably helpful.

18 What I need to ask is that the question,  
19 Question 46, ends with this clarification in mind,  
20 "Please answer the four cited interrogatories," that  
21 is, 20 through 23. And I see here an answer, what  
22 looks like an answer to No. 20 where we talked about  
23 machine efficiency, but in 21 and 22 and 23, I'm not  
24 sure how it bears on those and I'm wondering if we  
25 could somehow get answers either today if you think  
26 you can do it or perhaps for the record to those other

1 three issues.

2 A And you're referring to actually the Library  
3 Reference 14 and what we define I think as the scoring  
4 tool, and some of those parameters were just to help  
5 calibrate the model again. It was a starting point  
6 for discussion, to look at basically what opportunity  
7 can we get by expanding the windows and we wanted to  
8 calibrate the model. So, again, it was the choice of  
9 words used and so the machine efficiency was just a  
10 fractional factor used to apply to some of those to  
11 help calibrate the original model as the starting  
12 point.

13 Q Yes. I think I understand what you were  
14 telling us with respect to No. 20. My problem is that  
15 I don't see how that answer to T3-46, which referenced  
16 our 20 through 23, bears on Nos. 21, 22 and 23. No.  
17 21 talks about labor efficiency at one point. No. 22  
18 asks for a description of certain operations; and No.  
19 23 asks some few detailed questions about the library  
20 reference I guess it is.

21 A So if we walk through them, just the  
22 different questions, I think that's probably the  
23 easiest way to do that. I think you said it addressed  
24 Question 20, is that correct?

25 Q Yes.

26 A Okay. And then --

1 Q I don't have a problem with 20.

2 A Okay. Then Question 21, I think what you're  
3 referring to is it talks about labor efficiency, kind  
4 of just sort of the same answer I gave before, it was  
5 a way to help calibrate the model. Again, it was a  
6 starting point for discussion. There's no formal  
7 mathematical solution that is what derived with this  
8 number. It was just a way to help calibrate the  
9 starting point for discussion again. It was a very  
10 strategic model, very, very high level. Does that  
11 answer your question for 21?

12 Q Well, are you saying --

13 CHAIRMAN GOLDWAY: Where did the labor  
14 efficiencies come from?

15 BY MR. STOVER:

16 Q -- for 21a, Ms. Rosenberg, that -- we asked  
17 about some particular numbers, and are you saying that  
18 the way labor efficiency was used in the model, those  
19 numbers don't really have any meaning?

20 A So I should clarify. It's not that they  
21 don't have any meaning, but if you have like an -- I  
22 would like subject to check, but basically the way I  
23 think these were calibrated originally is assuming you  
24 kind of have an eight-hour employee, some of these  
25 operations are not run eight hours, so when you were  
26 using that -- I'd have to look exactly where these

1 percentages are used in the grander formula of the  
2 actual Excel spreadsheet. But they were just helping  
3 calibrate so that you were adjusting accordingly, so  
4 that there was some reasonableness in some of the  
5 discussions. But I can take that to just check to be  
6 able to better explain.

7 CHAIRMAN GOLDWAY: I still don't understand  
8 where you're getting the numbers from. You had  
9 information that some machines were running on less  
10 than eight-hour shifts?

11 THE WITNESS: Oh, sorry. We had moved on to  
12 21, which talks about the labor, the labor hours.

13 CHAIRMAN GOLDWAY: So labor hours are  
14 related to machines you were just saying.

15 THE WITNESS: And again --

16 CHAIRMAN GOLDWAY: Where did you get this  
17 information and what were the numbers?

18 THE WITNESS: Oh, so I see. I understand  
19 what your question is. And again, I would prefer to  
20 check so I can see all of the formulas within that  
21 Excel spreadsheet. But we know what our operating  
22 windows are. We know when our machines are run today.  
23 So I would have to look, but I believe, and I will  
24 double-check, that -- again, I don't have the whole  
25 Excel spreadsheet, but if you have a cancellation  
26 window that only runs seven hours, but you have an

1 eight-hour employee, you want -- you need to -- again,  
2 I have to look at exactly what these were multiplied  
3 to, but you have machines. We know what the operating  
4 times are. And so you know if you had an employee of  
5 a certain length of time how many hours that were  
6 attributed to that actual operation. And I think  
7 there's probably scale in that, but I would need to  
8 check. I can check that and clarify.

9 CHAIRMAN GOLDWAY: So is there a Mods  
10 database for determining historical labor efficiency  
11 by operation?

12 THE WITNESS: No. This was purely derived  
13 for the strategic initiative from looking at the  
14 operating --

15 CHAIRMAN GOLDWAY: Who? Somebody made up  
16 numbers in the air? Where did you get --

17 THE WITNESS: That's an excellent question.  
18 I wouldn't say that they were made up in the air, but  
19 we know what our operating windows are. We have stop  
20 the clock, so we actually know when operations are  
21 supposed to be running. There are certain times  
22 streamlined. So you know what that is. And again, if  
23 you use your baseline of eight hours, it's going to be  
24 able to help you determine and scale the hours that  
25 you would actually run a certain operation or a  
26 certain machine.

1           CHAIRMAN GOLDWAY: So, if that's not Mods  
2 data, what data is it?

3           THE WITNESS: I think it's -- again, I think  
4 it's a -- I am not an expert on that. I think there's  
5 some policy set up about standard operating windows,  
6 how they look at some of the metrics to drive the  
7 plants. But I can't speak to all of that. So we know  
8 you can look at end of run and see what machines are  
9 running so you actually know when the start and stop  
10 time is. So, again, it's kind of subject matter  
11 expertise, people that have worked in the plant,  
12 knowing general operating windows to determine those.

13           BY MR. STOVER:

14           Q     Ms. Rosenberg, you were saying you didn't  
15 have the spreadsheet with you or the full spreadsheet.

16           A     Yes.

17           Q     Now, by the spreadsheet, do you mean the  
18 LR14\_repExcelfile14\_mailprocessingwindowscoringtool --

19           A     Exactly.

20           Q     -- which we referred to in No. 46?

21           A     Exactly.

22           MR. STOVER: Well, Madam Chairman, subject  
23 to the bench's pleasure, I am wondering if having --  
24 21, I think I understand Ms. Rosenberg's explanation  
25 or at least some of it.

26           CHAIRMAN GOLDWAY: Okay.

1 MR. STOVER: No. 22 asks for description of  
2 operations and No. 23 asks a lot of detailed  
3 questions, and I'm wondering if it would speed things  
4 along if we got those for the record rather than  
5 having her attempt to recall them without the document  
6 in front of her.

7 CHAIRMAN GOLDWAY: Yes, it would certainly  
8 be helpful if she were able to respond in writing to  
9 those questions.

10 THE WITNESS: Okay.

11 MR. TIDWELL: Madam Chairman, Michael  
12 Tidwell with the Postal Service. The witness should  
13 be able to respond -- provide written responses by  
14 what day next week?

15 THE WITNESS: I would say by Wednesday of  
16 next week if that is adequate.

17 CHAIRMAN GOLDWAY: I think that will be  
18 fine, thank you.

19 MR. STOVER: I think that would, yes, I  
20 believe so.

21 THE WITNESS: And just to clarify, it's  
22 questions -- specifically, you want 22 and 23 written  
23 responses?

24 MR. STOVER: Twenty-two and 23 I think are  
25 the ones we need to worry about where you need to  
26 really go back and dig into the spreadsheet.

1 THE WITNESS: Okay.

2 BY MR. STOVER:

3 Q Now let us heave a sigh of relief and go on  
4 to GCA-T3-27 if I can find it. And you say that the  
5 model -- the scoring tool rather does not measure or  
6 analyze potential relative cost savings. We asked you  
7 a sort of hypothetical question about even if they're  
8 hypothetical, if one comes out higher than -- greater  
9 savings than the other, isn't that likely to be true  
10 in the real world. And you say, "My testimony does  
11 not measure or analyze potential relative cost  
12 savings" since you haven't analyzed them. Okay.

13 But in your testimony, and this is on page 6  
14 of the testimony, starting at line 7, you said --  
15 well, actually starting about line 8 and 9, "These  
16 hypothetical costs are used for scoring purposes only  
17 to compare the different scenarios and should not be  
18 misinterpreted as cost savings estimates associated  
19 with any particular network scenario." Well, that  
20 part I understand I think. But if it doesn't measure  
21 or analyze potential or relative savings, explain in  
22 what sense it's comparing scenarios. What are the  
23 comparators that it uses?

24 A The scoring tool creates a metric and it  
25 also looked -- and I can't reference what  
26 interrogatory it was, but talks about the six point

1 scale, to see if the windows that that tool produces  
2 are actually feasible and you can actually run a  
3 network on, because that tool I guess is important to  
4 levels that it doesn't optimize, it doesn't do. It  
5 really is a calculator that says based on these  
6 parameters, this is what it would look like and  
7 iterates through different and gives different  
8 windows. And so basically you could see the different  
9 windows. And I think it's also important to note that  
10 what the tool was just a mathematical way to display  
11 that opening up operating windows, there was potential  
12 to reduce equipment. And the windows provided that  
13 came out of the tool were changed based on management  
14 expertise in order to modify. So I think that that's  
15 also important.

16 Q So are you saying that the tool then is sort  
17 of like a coal shaker and if a scenario makes it  
18 through all six sieves, it's feasible, but if it gets  
19 stopped at any of them, it's not feasible?

20 A That's correct. That's exactly it.

21 Q So it doesn't compare them. It simply says  
22 yea or nay?

23 A Right. And it creates a metric. And so  
24 then you can look at the windows and decide based  
25 on -- again, it's a national model with very, very  
26 high-level assumptions. So you've got to have subject

1 matter experts be able to evaluate the reasonableness  
2 of what is coming out. Just because it technically is  
3 feasible isn't something that is palatable.

4 Q Well, would you -- so if the scoring tool  
5 simply compares scenarios by simply sorting them into  
6 two piles, feasible and not feasible, and I think you  
7 said in one of your answers that it doesn't even save  
8 the nonfeasible ones --

9 A That's correct.

10 Q -- any comparison of potential savings or  
11 relative savings as between two scenarios would be an  
12 outcome of your talking with field management and  
13 people at headquarters, who know the --

14 A Now I think I understand in terms of where  
15 you're going. There is a metric in there. It is just  
16 a hypothetical that can tell -- it gives you a score.  
17 So there are different scores associated with  
18 different scenarios. But, again, because it is very  
19 high level, you can't use that to say this is a better  
20 scenario than that. It kind of might let you look at  
21 some scenarios that look like they might have more  
22 potential than others, but really it was basically  
23 just looking at the windows --

24 Q Now is that a separate operation in the  
25 model from the six feasibility points?

26 A No. It all works simultaneously. It's like

1 a calculator. Each of the parameters are put in and  
2 it calculates everything through and it creates a  
3 score for transportation, for labor and other  
4 components and sums up those scores. So each scenario  
5 does get some kind of score. And I was not the final  
6 decisionmaker in determining which iteration was  
7 chosen, so I don't know how the scores were used. But  
8 it gave you a couple different scenarios. It also  
9 showed you some similar scenarios in there. So I  
10 don't know that the score was necessarily used to make  
11 a choice, but there is some kind of scoring metric  
12 within the tool.

13 Q Okay. Well, but the scoring metric you say  
14 is not something that you could use to compare two  
15 scenarios with respect to potential savings, or you  
16 wouldn't want to do it anyway?

17 A I would not be comfortable using it from a  
18 savings perspective.

19 Q Okay. So that if somebody wanted to know --  
20 let's say that the model generated two scenarios for  
21 some particular location in the northeast region, some  
22 particular neighborhood for want of a better word, and  
23 somebody wanted to know which of those two scenarios  
24 was the preferable one, they would have to go to  
25 subject matter experts, who might say, well, this one  
26 looks good on paper, but in fact that road is blocked

1 three months out of the year, so the transportation  
2 layout won't work and we really should have the other  
3 one?

4 A So I need to clarify. This model, if you  
5 were to think about it from a 10,000 foot view, so it  
6 doesn't matter what roads are closed. One of the  
7 things that is important and noted in the testimony is  
8 it's a very, very, very high level national model that  
9 spreads workload evenly across the country, which we  
10 know is not true. I know there was an interrogatory  
11 asking about that, but we need to still be able to  
12 reach all of those rural regions. It doesn't matter  
13 from that standpoint. So, from a very high level  
14 where you're defining operating windows, to make sure  
15 volume gets in and can make some critical entry times,  
16 it gave us a high level assessment to start that  
17 discussion.

18 Q I think I intermittently grasp what the  
19 model does. I guess I need to come back after giving  
20 it a moment's thought too. I'll set the model to one  
21 side for a moment and ask you from the basis of your  
22 knowledge of how this whole project is being directed  
23 and run, if somebody wants to know which of two  
24 scenarios for a particular situation is likely to be  
25 the most beneficial to the Postal Service, who would  
26 they ask what and/or what procedures would they follow

1 to generate an answer?

2 A I am probably not the person to best answer  
3 your question on that. One thing that I think is  
4 important to note, though, is that this exercise  
5 wasn't supposed to find the best answer. It was  
6 finding a feasible solution that was reasonable and  
7 that would also meet our customer and stakeholder  
8 needs. So I think that that's also important. But  
9 I'm not the best person to answer the different  
10 scenarios and where those costs would come from.

11 Q Well, I think to a degree you just did  
12 answer my question.

13 CHAIRMAN GOLDWAY: Would you say it wasn't  
14 designed as a best answer? Would a design for a best  
15 answer be an optimization model?

16 THE WITNESS: Excellent. So an optimization  
17 model, which is what LogicNet is, which is the second  
18 part to how we did our analysis, which did the ZIP  
19 assignments to plants, but because it's a model, we  
20 had a lot of assumptions in there. In order to be  
21 able to have a reasonable run time for a model to  
22 build in all the intricacies of the Postal Service  
23 would take a very long time to run. A notable  
24 operations research problem is called the traveling  
25 salesman. It talks about the Postal Service and how  
26 it's -- let me take a step back just kind of from that

1       standpoint. So, yes, an optimization model, but just  
2       because the optimization model came up with results  
3       doesn't mean that we can act on some of those results  
4       because of the modeling assumptions. In an ideal  
5       world, we would be able to replicate the Postal  
6       Service in a model and be able to hit, like press a  
7       button and say this is what we should be. What we  
8       need to do is leverage those tools in combination with  
9       subject matter expertise to come up with a better  
10      solution.

11               MR. STOVER: Madam Chairman, I think that's  
12      all we have for Ms. Rosenberg. Thank you and thank  
13      you, Ms. Rosenberg.

14               CHAIRMAN GOLDWAY: Thank you, Mr. Stover.  
15      The next participant is Ms. Keller from the National  
16      Postal Mail Handlers Union.

17               MS. KELLER: Thank you, Madam Chair.

18                               CROSS-EXAMINATION

19               BY MS. KELLER:

20               Q     Good afternoon, Ms. Rosenberg.

21               A     Good afternoon.

22               Q     You've been using the phrase "high level  
23      assumptions." I just want to clarify, but I  
24      understand that to mean sort of rough assumptions,  
25      rough estimates of an appropriate number.

26               A     And again, when we're talking about the

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1       scoring tool, I think that is 100 percent accurate.  
2       It's based on subject matter expertise. But when  
3       you're looking at the network as a whole, as everybody  
4       has pointed out, there's a lot of local nuances. When  
5       you look at it nationally, you need to make a rough  
6       order of magnitude estimate.

7             Q       Okay. And you said that's 100 percent true  
8       for the scoring tool. Is that also true for the  
9       optimization tool?

10            A       In LogicNet, we drilled down a little bit to  
11       some of the site-specific details and there's a lot of  
12       the library references that talk about the operating  
13       cost of the site, specific site's information, and we  
14       did drill down a little more. Again, there are still  
15       some high level assumptions because one of the things  
16       that's important to note is this is a new operating  
17       concept. So to take our current throughputs of our  
18       machines and say that that's what we're going to get  
19       tomorrow may not be the same case. So, again, we do  
20       need to make some additional assumptions.

21            Q       And by "high level," you mean rough?

22            A       Yes.

23            Q       You testified a moment ago that you were not  
24       the final decisionmaker in determining which iteration  
25       was chosen. And I'm sorry, I think you were referring  
26       -- I guess I'm not sure if you were referring to the

1 scoring tool or the optimization model results there.  
2 Which one were you referring to?

3 A I was referring to the scoring tool. That's  
4 where I thought most of the questions were coming  
5 from.

6 Q Okay. So let me ask a little bit about that  
7 scoring tool and the results that it produced. Now  
8 the scoring tool was used to determine operating  
9 windows. Am I understanding that correctly?

10 A That's correct.

11 Q And my understanding is is that there were  
12 millions of iterations run, correct?

13 A That's correct.

14 Q Okay. And that was then reduced down to a  
15 couple dozen that were considered, is that correct?

16 A That is correct. And I should clarify, when  
17 you said "used to determine operating windows," that  
18 was not the final determination. It was subject  
19 matter experts as well as management that actually  
20 made the final decision on what those operating  
21 windows are. I think it just illustrated that there  
22 were -- in my mind, all that tool did was illustrate  
23 that there is opportunity by opening up the windows.

24 Q Okay. And from 3 million, how did we get  
25 down to the couple dozen?

26 A So, excellent, again --

1           CHAIRMAN GOLDWAY: I've just been asked for  
2 you to move your microphone closer, please. Thank  
3 you, Ms. Rosenberg.

4           THE WITNESS: You're welcome. So, along  
5 those lines, some iterations were run. They were  
6 talked to again subject matter experts as well as  
7 management, and I think they -- and again, I was not  
8 part of all of those conversations, so I can't  
9 guarantee that this is the answer. But I suspect that  
10 again DPS is one of the most restrictive processes  
11 when we're sorting mail. And so to be able to open up  
12 that window and the idea that you might actually be  
13 able to open up for 16 hours was really kind of  
14 latched onto in I think some of the additional  
15 evaluations really surrounded by that 16-hour window  
16 for DPS, which includes first pass and second pass.

17           BY MS. KELLER:

18           Q     When you say "subject matter experts," can  
19 you tell us who that is?

20           A     It's probably other members of network  
21 operations and some other managers within network  
22 operations.

23           Q     People that work with Mr. Neri?

24           A     I would believe so. And again, I don't know  
25 or it could be -- it would probably be more accurate -  
26 - again, I was not part of those conversations, so I

1 can't say, it's probably people that all fall under  
2 Witness Williams.

3 Q Skipping forward in the process, on pages 19  
4 to 20 of your testimony, you talk about getting local  
5 insight and analysis to refine the network concept.  
6 And is it fair to say again that you were not involved  
7 in all of those conversations?

8 A That is a fair assessment.

9 Q You were involved in some of them?

10 A Yes.

11 Q Okay. And who were the participants in  
12 those discussions?

13 A And again, because I wasn't part of all of  
14 them, I believe Witness Williams was the person that  
15 decided who would participate and reached out to the  
16 areas and the areas decided on their local levels who  
17 they wanted involved.

18 Q You state on page 20 of your testimony that  
19 in this process 45 percent of the ZIP code assignments  
20 that LogicNet had come up with were modified. Is that  
21 accurate?

22 A Yes, I would agree with the calculation that  
23 was put in the testimony.

24 Q And so those were essentially modified by  
25 human discussion?

26 A That is correct.

1 Q After the human discussion resulted in that  
2 modification, it was not then fed back into any sort  
3 of computer model to see how that would work out,  
4 correct?

5 A No, but you bring up an excellent point,  
6 which I think is important for just understanding is  
7 the LogicNet model, its goal is to put ZIP codes to  
8 plants. So, if we fed that information back into the  
9 model, the model would have no decisions anymore to  
10 make. So that is a correct assessment.

11 Q Okay. And is this the same process by which  
12 human beings decided to change some of the sites that  
13 had been activated by the LogicNet model?

14 A That is exactly right.

15 Q And who was in charge of those discussions?  
16 Was that Mr. Williams?

17 A I would say Witness Williams I believe was  
18 probably the person in charge from headquarters on  
19 those decisions and he would be able to discuss if he  
20 had a talk with his management.

21 Q How would you describe your level of  
22 involvement in those discussions?

23 A My level of involvement was minimal. I  
24 attended some of those, but I was not an active  
25 participant.

26 MS. KELLER: That is all I have. Thank you.

1 THE WITNESS: Thank you.

2 CHAIRMAN GOLDWAY: Thank you. And now we  
3 have Mr. Laver, Public Representative.

4 MR. LAVER: Thank you, Madam Chairman.

5 CROSS-EXAMINATION

6 BY MR. LAVER:

7 Q Welcome, Witness Rosenberg.

8 A Thank you.

9 Q And thank you for being here. It's fraught  
10 with peril being the last intervenor in the afternoon  
11 here and I appreciate your bearing with me. I have a  
12 lot to get through. My analysts are very interested  
13 in your testimony.

14 In order to speed things up a little bit,  
15 I'll ask you to slow me down if you need to actually  
16 turn to the reference that I say. Otherwise, if you  
17 possibly could accept subject to check a  
18 characterization and then we can answer questions  
19 based on that and move on if that's okay with you.

20 First, I think we covered some of this in  
21 the technical conference, but I just wanted to make  
22 sure. You report to Luke Grossman?

23 A That is correct.

24 Q And Luke Grossman reports to David Williams,  
25 is that correct?

26 A That is correct.

1 Q Okay. And I can start with an absolute  
2 softball. At the very beginning of your testimony,  
3 you state that the first step of everything was to  
4 build a tool for determining operating windows, to  
5 test the feasibility of the concept. By that tool,  
6 you're talking about the scoring tool I presume?

7 A That is correct.

8 Q Thank you. And can you confirm that the key  
9 output of the scoring tool was to establish that 16-  
10 hour operating window for what was later used in  
11 LogicNet?

12 A That is correct.

13 Q Now counsel touched on that you don't know  
14 which iteration from the scoring tool was actually  
15 chosen to move on to LogicNet?

16 A So that's an excellent question. It would  
17 be subject to check, but I'd have to check. I don't  
18 know that you would even find the exact operating  
19 windows that we went forward with in LogicNet. I  
20 think the scoring tool produced results. It was  
21 discussed with management. And I believe it's written  
22 in the testimony too, that then the operating windows  
23 were tweaked based on management decision and those  
24 were the operating windows that were actually put into  
25 LogicNet.

26 Q Okay. So there was an iteration out of the

1     scoring tool and that iteration was looked at by  
2     management, which would have included maybe Mr.  
3     Grossman or Mr. Williams?

4             A     I'd imagine so and potentially others.

5             Q     And then they subject to that management  
6     input plugged it into LogicNet. Now could that  
7     management input have come up with an operating window  
8     that your scoring tool would have found infeasible?

9             A     They would not have come up with an  
10    operating window that the scoring tool is infeasible.  
11    I guess they could have. We did not march forward  
12    with any operating window that would have been  
13    infeasible.

14            Q     But after you used the scoring tool to  
15    determine the feasible windows, the management input  
16    tweaked that window. Was it then fed back into the  
17    scoring tool to make sure that it was still feasible?

18            A     Well, no, because, again, from operational  
19    expertise, you can kind of lay out the window and walk  
20    the mail all the way through the steps to make sure  
21    that it can move through the network appropriately and  
22    then service standards would be overlaid onto that to  
23    make that work. I think one of the biggest changes  
24    from this scoring tool is the scoring tool originally  
25    had cancellation running all the way through the  
26    night, not ending at midnight. Again, a decision was

1 made to end that at midnight because that would  
2 preserve a lot more two-day. If you had cancellation  
3 running all the way past midnight, that starts to  
4 limit some of the service areas. So it's just one  
5 example of one of the larger changes.

6 Q So the results that you have in Library  
7 Reference 14 from the scoring tool results, those  
8 represent some feasible windows but not the universe  
9 of feasible windows, would that be accurate?

10 A That is correct.

11 Q Okay. Now I have some more questions still  
12 on the scoring tool. And again, you don't have to  
13 turn to these right away unless you tell me to slow  
14 down and we can go there. In your response to the  
15 Public Representative Interrogatory 10, you state that  
16 "The model assumes all volume is spread equally across  
17 the United States." I think you discussed this  
18 earlier. And then in response to 12, you clarify that  
19 the Postal Service rejected other methods of  
20 distributing the workload over area because this  
21 analysis was focused on operating windows that needed  
22 to be set to service all parts of the geography. And  
23 I think again you touched on this with counsel moments  
24 ago.

25 And I think you'll agree here. Do you agree  
26 that equal distribution of workload results in equal

1 share of workload at processing plants in let's say  
2 Montana and New York, that that would be an  
3 assumption?

4 Q In the case of where you would spread volume  
5 equally, then, yes, that's the case.

6 Q And would you agree that transportation  
7 costs would change if the workload was distributed in  
8 a different way, for example, if you took into account  
9 population density?

10 A And for that reason, that's why all the  
11 scoring tool was was a starting point for discussion.  
12 I think that that's incredibly important to note.

13 Q Okay. And I can forego the rest of my  
14 questions because I think you would agree with me that  
15 if you changed any of the assumptions or parameters in  
16 the scoring tool it could drastically change the  
17 output.

18 A Exactly.

19 Q Now regarding some of the assumptions in the  
20 scoring tool, you had stated that the underlying data  
21 and calculations had not been preserved, the ones that  
22 were later fed in or tweaked and then fed into the  
23 LogicNet model?

24 A And again I don't believe that you would  
25 have -- again, depending on what iterations were run,  
26 whether that ever came out of the scoring tool, the

1 decision and the operating windows that were fed into  
2 LogicNet were based on management decision. What the  
3 scoring tool was able to do is say there's opportunity  
4 by expanding. We can make all of these decisions.  
5 You can make cancellation a 12-hour window. But it  
6 was deemed that that was not really in the best  
7 interest of the Postal Service from that standpoint  
8 from the subject matter experts.

9 Q That may actually push us well into the next  
10 question here because you had responded to one of the  
11 APWU's interrogatories that the scoring tool could  
12 have been used to look at options that maintain  
13 current service standards while changing other  
14 parameters, is that correct?

15 A You have to be careful about when we say  
16 "maintaining current service standards" because  
17 there's a set of rules. You could have maintained  
18 overnight, but the scoring tool is not detailed enough  
19 to say that you would maintain your current service  
20 standards.

21 Q So you're saying two-day or three-day might  
22 have slipped in certain ZIP code pairs or something if  
23 you --

24 A Then they become overnight.

25 Q Okay. But it was your testimony that that  
26 was not done. There was no consideration. You

1 started with the assumption of eliminating overnight  
2 and move forward from there, is that correct?

3 A And I can look back at any other analyses,  
4 but basically the direction we were given is to look  
5 at the opportunity without overnight.

6 Q Thank you. Now I'm going to move a little  
7 bit -- actually I'm still on the scoring tool. In  
8 your testimony, you talk about network trucks assuming  
9 to be moving at 47 miles an hour and then you also  
10 talk about how each three-digit ZIP code workload  
11 could be transported up to 200 miles to be processed  
12 by a plant. Do you know under current mail processing  
13 standards what the maximum distance of three-digit ZIP  
14 code workload could be transported?

15 A To be honest, I don't know that off the top  
16 of my head.

17 Q Do you have a general idea or would you not  
18 want to speculate?

19 A I wouldn't be comfortable speculating.

20 Q Is that something that you can check for us?

21 A I should be able to check something in terms  
22 of -- and I guess, can you just clarify exactly what  
23 you want me to look into?

24 Q So, in the scoring tool, you use that 200 as  
25 the maximum distance. My analysts would like to know  
26 currently under the current mail processing structure

1 what the current maximum distance is that that three-  
2 digit workload is moved.

3 A Okay. And so I guess there's a question  
4 because it's different based on origin and  
5 destination. I think we can most accurately get that  
6 from a destination perspective if you're comfortable  
7 with that answer. I think we can get you a more  
8 accurate answer.

9 Q I think we are amenable to that.

10 A Okay.

11 Q So I might remind counsel at the end that  
12 we'll --

13 MR. TIDWELL: Put that on the Wednesday  
14 pile.

15 THE WITNESS: I think that can be done for  
16 Wednesday.

17 MR. LAVER: Thank you, counsel.

18 BY MR. LAVER:

19 Q Now I'm going to ask a little bit about  
20 Library Reference 15 and it's a worksheet customer  
21 details where you have mileage bands in Column O.  
22 Now, in the LogicNet model, there do not appear to be  
23 costs for transportation between facilities. Can you  
24 confirm that?

25 A That is correct.

26 Q And now on page 21 of your testimony, you

1 indicate that the AFCS requirement use the 75th  
2 percentile of volume?

3 A And sorry, just to make sure that we're all  
4 clear on what we're talking about now, because I think  
5 you've moved off of the LogicNet model.

6 Q I have moved on to the LogicNet model and  
7 off of the scoring tool.

8 A Okay, okay. But I don't think at this point  
9 that the 75 percent is even addressing really the  
10 LogicNet model anymore on page 21. That's after you  
11 have results.

12 Q You're correct, that is after. I jumped  
13 from scoring tool to model and now we are in the post-  
14 model world.

15 A Okay.

16 Q So that on page 21, this is lines 20 through  
17 22, where you talk about the SCS requirement uses a  
18 75th percentile of volume and the DBCS requirement  
19 uses a 95th percentile volume. And this is I believe  
20 supported by Library Reference 17 and 13. I think my  
21 analysts were wondering where in Library Reference 17  
22 they can find how this was calculated, the 75th  
23 percentile and the 95th percentile?

24 A I would have to check to determine. I'm not  
25 sure that specifically within those library references  
26 you can pull data by every single day and determine

1 that. I believe actually the Public Representatives  
2 in their latest questions actually asked for that  
3 information and it was provided in Question 29.

4 Q I'm getting nods.

5 A Okay.

6 Q So, yes, I believe you are correct. Now you  
7 identified different results for the peak load factor  
8 in 2010 and 2009, is that accurate?

9 A Can you point me to what you're reading  
10 from? Sorry.

11 Q I believe we're in the same -- if you could  
12 bear with me for one moment.

13 (Pause.)

14 BY MR. LAVER:

15 Q I apologize. I'll move on from that for a  
16 moment.

17 A Okay.

18 Q Now, in Library Reference 13, you have  
19 equipment square footage and you inflated that by 15  
20 percent.

21 A And we went through many iterations, so it's  
22 subject to check. I'd have to check if that was the  
23 15 percent. Based on talking to subject matter  
24 experts and based on the new operating environment,  
25 people encouraged increasing some of that square  
26 footage.

1           Q     That's probably where my next question came  
2     from here because in 17 it was inflated by 20 percent.  
3     And so you would say that it was increased from that  
4     15 percent in Library Reference 13 due to management  
5     input up to 20 percent?

6           A     Exactly.

7           Q     Okay. Now, in the model Mods of both  
8     Library Reference 13 and 17, I'm going to refer to  
9     that 80 percent factor to calculate square footage  
10    requirements. My lack of math knowledge is showing  
11    here. It's the inverse of the 20 percent. Is that  
12    where that 80 percent figure is coming from?

13          A     Subject to check, I have to make sure what  
14    you're talking about. But I think, are you talking  
15    about deflating the facility square footage?

16          Q     Correct.

17          Q     And the reason we deflated the facility  
18    square footage in the output is just because you have  
19    all that room, you still have other aisles and  
20    spacing. So what we wanted to do was when we were  
21    doing cinch checks of just again a high level of will  
22    the equipment fit in the building. We didn't want to  
23    just assume that you could use every single square  
24    footage within the four walls.

25          Q     Okay. And I'm going to address a few of the  
26    interrogatory responses, starting with the Public

1 Representative T3 and it's 17 through 27, but I'll  
2 start at 19d. You'll probably be able to answer these  
3 without looking directly at it.

4 A Okay.

5 Q But there you're talking about throughput  
6 and you say it's a reasonable expectation that pieces  
7 that can be processed per hour. And by "reasonable,"  
8 you're not saying maximum, is that correct?

9 A I'm just going to read it to just verify.

10 Q Not a problem.

11 A That's correct.

12 Q Would you say that reasonable throughput is  
13 a throughput that would exist if there was no idle  
14 time during the sorting run and there were no rejects?

15 A I would not confirm that. Again, there's  
16 sometimes rhyme or reason where some of that does get  
17 embedded into windows. So, when we use our  
18 assessment, we didn't want to assume that it was an  
19 ideal situation.

20 Q Okay. So reasonable might mean that there  
21 are some rejects and there is some idle time built  
22 into that. Are there any other activities similar to  
23 refitting rejects that we consider part of reasonable  
24 run time?

25 A Again, our notion is is the plan is to have  
26 all mail volume waiting there. Again, depending on --

1 there's other things that happen on a day-to-day event  
2 that you can't expect and so --

3 Q So it's a cushion factor?

4 A Exactly.

5 Q Are you aware of the percent of runs that  
6 either don't have idle time or that proceed in ideal  
7 conditions?

8 A I am not aware of that.

9 Q Okay. Now are you familiar with the Postal  
10 Service library reference that they filed during the  
11 ACR about the total pieces fed during mail processing  
12 operations?

13 A I'm not aware of that.

14 Q At a general level?

15 A I don't know anything about the ACR cases.

16 Q Lucky you. Are you familiar with the  
17 concept of adjusted throughputs?

18 A Can you clarify?

19 Q It's used in the mail processing windows  
20 scoring tool.

21 A Basically, by adjusted throughputs, again,  
22 based on subject matter expertise, we applied a  
23 throughput that again probably we deemed reasonable at  
24 the time during that exercise and analysis.

25 Q So would you agree that the adjusted  
26 throughput, 80 percent of the unadjusted throughput

1 used in the library references is, subject to check,  
2 21,000 pieces per hour?

3 A And just to make sure, which library  
4 reference so that I can do the check?

5 Q This is 14.

6 A Fourteen, which is the scoring tool.

7 Q It is the scoring tool.

8 A Yes, and subject to check.

9 Q And that's cancellation. And 24,000 for  
10 outgoing primary letters, subject to check?

11 A Subject to check.

12 Q Twenty-four thousand for incoming primary  
13 letters, subject to check, and 28,000 for incoming  
14 secondary letters. Now I have some general questions  
15 to help me as to which of the operations -- and this  
16 is an attempt to match up what we know from the ACR,  
17 from the throughput that comes from the ACR with kind  
18 of what you're saying was the management input  
19 throughput that came into the scoring tool. Now would  
20 it be true that the DBCS can be used to cancel both  
21 letters and the AFSM-100 can be used to cancel flats?

22 A That's not a correct statement. The DBCS is  
23 not used for cancellation. The AFCS machine is used  
24 for cancellation. DBs are used for outgoing primary,  
25 potentially outgoing secondary, incoming primary,  
26 incoming secondary and DPS operations. And I am not

1 familiar enough with the AFSM-100s. I know that they  
2 have things called AFSM-100 cancelers, but I'm not  
3 sure if that's a modification to that machine, so I  
4 don't think universally all of them can do that.

5 Q So would you agree that mechanized outgoing  
6 primary operations are either primarily what you just  
7 described with cancellation on either the AFSM  
8 cancellation or the --

9 A AFCS.

10 Q -- AFCS?

11 A So I guess I don't really quite understand  
12 what the question is.

13 Q So, when we talk about mechanized outgoing  
14 primary operations, would cancellation on those  
15 machines in your mind be mechanized outgoing primary  
16 operations?

17 A To be honest, I just am having trouble  
18 understanding what the question is. I'm not  
19 comfortable giving a specific answer.

20 Q I understand. It may be a terminology  
21 difference between --

22 A Okay. Yes.

23 Q -- these two different sources of data, so  
24 if you could bear with me for one moment.

25 (Pause.)

26 //

1 BY MR. LAVER:

2 Q Okay. I'm going to ask you to turn to your  
3 response to APWU/USPS-T3-13.

4 A Okay.

5 Q In here, you're saying that you use the  
6 transportation information management system, the TIMS  
7 system, to determine the volume arrival profile, the  
8 acronym VAP. Was this source of volume data used only  
9 with regard to the determination of cancellation  
10 equipment?

11 A So I need to clarify. This is not volume  
12 data. When you apply a volume arrival profile, we use  
13 Mods data for the volume and then we use the TIMS data  
14 to determine what time that would be arriving to the  
15 plants.

16 Q Okay. So was this TIMS data drawn from  
17 fiscal year 2010?

18 A I would have to check, but it should be  
19 around that same timeframe. It might have been a  
20 sample month because again this has every trip from  
21 every post office in there. So it might have been a  
22 snapshot in time. But again, I don't believe that you  
23 have too much dynamic nature of those post office  
24 trips on a daily basis.

25 Q Fair enough. Now similar to Mr. Stover  
26 here, I have a general question that I probably should

1 have asked more toward the beginning. This is  
2 generally about the LogicNet optimization exercise.  
3 And now would you agree that the experts that provided  
4 basically the input for the LogicNet used their best  
5 judgment as to the data and the parameters and the  
6 assumptions that went in there and the data sources  
7 that they had available at the time?

8 A Yes, I would say so.

9 Q Would you agree that model parameters that  
10 are known to be true, so things that you can  
11 definitively model that aren't subject to I guess a  
12 fudge factor, would be superior to an estimated  
13 parameter?

14 A Can you rephrase the question?

15 Q I think I can do a better job of clarifying  
16 that. So, if you know, for example, if you know the  
17 mail always has to arrive at a DDU by 7:30 a.m., and  
18 that's completely an assumption and I'm not asking you  
19 to say that that's true --

20 A Right.

21 Q -- if you were to model that, would it be  
22 superior to use that as a definitive parameter than to  
23 use an estimated parameter from another source?

24 A I think it depends on what assumption you're  
25 talking about. I don't think you can say unanimously  
26 that that's a true statement. I would need a very

1 specific example from that standpoint. And again, one  
2 of the things to recognize, this is a new operating  
3 environment, so there are places where we can't use  
4 given systems because we haven't experienced the  
5 operating environment that we're going to.

6 Q I apologize. I'm still looking at 13c.  
7 You're probably still on there. I'm sorry, I'm  
8 looking at page 23 of your testimony --

9 A Okay.

10 Q -- lines 3 to 6. This is dealing with the  
11 same topic, this volume arrival profile.

12 A Yes.

13 Q You say in the testimony that mail arriving  
14 after the cancellation processing window has ended,  
15 this volume is distributed to each hour of the window  
16 according to each hour share of the window's volume,  
17 is that accurate?

18 A So I think I need to put this in context  
19 because I think reading it out of context is, again,  
20 we're using current data and projecting into a future  
21 environment. So what we need to do is align because  
22 what we're not going to do is set up a network that  
23 we're going to fail volume. So we're using the best  
24 information that we have and then we need to address  
25 some of those inconsistencies using today's because  
26 tomorrow's operating environment is different.

1           Q     So, in that tomorrow's operating  
2     environment, in reality, any mail that would be  
3     entered after the critical entry time or after the  
4     critical acceptance time would not be processed in the  
5     window. It would wait, is that correct?

6           A     I think we have to be careful about how we  
7     say that because, again, it depends on -- and again, I  
8     am not an expert, but it depends on the start the  
9     clock. If volume comes in and it hit the start of the  
10    clock of that day, then it should be processed that  
11    day. And so what the idea is, and again, it's all  
12    through the analysis that's done, is that they would  
13    have to align transportation to ensure volume got in,  
14    and that's one of the critical elements to making sure  
15    that you have a feasible network.

16          Q     But if something missed that window, it  
17    wouldn't be processed. It would have to be stored and  
18    accounted for in some way to start at the next window.  
19    Is that accurate?

20          A     Again, I'm not an expert from that  
21    standpoint, but often they'll run machines a little  
22    bit longer. Even though they're supposed to maybe cut  
23    off at time A, they might run A plus 10 minutes if  
24    they need to. But again, you don't want to set up a  
25    future network knowing that you're going to have to  
26    fail and extend windows.

1           Q     That's fair enough.  So I'm going to ask you  
2     to look at your response to NPMHU/USPS-T3, Question  
3     9b.

4           A     Okay.

5           Q     Now you mention there that you used the more  
6     aggressive scaling setting in LogicNet -- and I'm  
7     jumping back to the model here, so I'm sorry for  
8     flying back and forth between the two -- that you used  
9     the more aggressive scaling setting but did not have  
10    knowledge about the characteristics of the LogicNet  
11    model or provide an assessment of what impact that  
12    using the scaling had on the results.  Is that  
13    accurate?

14          A     That is 100 percent accurate.

15          Q     Do you think it would have been possible to  
16    deduce the impact of the aggressive scaling if you'd  
17    compared the results with the nonaggressive scaling?

18          A     To be honest, I can't answer that.  I just  
19    don't know.  I don't know enough about what it  
20    actually does.

21          Q     Fair enough.  And now I'm in the same set  
22    but on Question 12.  And you say that national  
23    throughputs of several types of mail processing  
24    equipment were modified from those used in the scoring  
25    tool based on consultations with subject matter  
26    experts.  These are the new throughputs found in

1 Library Reference 17 in the ZIP assignment file, is  
2 that correct, to your knowledge?

3 A I would have to check exactly. If I go back  
4 to my testimony, I can tell you what it's related to.

5 Q Okay. So subject to check, I'll tell you  
6 what the throughput for the operations that are in  
7 Library 17 would have been reduced by 80 percent, and  
8 that's cancellation was reduced by 80 percent, to  
9 21,200, incoming secondary was reduced by 80 percent,  
10 to 28,000, and the ASFCS to 25,000, the DBCS to  
11 27,500. Can you accept that subject to check, that  
12 Library Reference 14 and 17 say that?

13 A Subject to check.

14 Q Now can you explain the reason that  
15 management input yielded throughputs close to 20  
16 percent higher for cancellation and about two percent  
17 less for the DBCS?

18 A Can you repeat the numbers and I might be  
19 able to give you a better assessment on the reasons  
20 for some of those.

21 Q Sure. For cancellation, it was 21,200  
22 pieces and that's from Library Reference 14. Incoming  
23 secondary was 28,000 pieces, from Library Reference 14  
24 and then AFCS was 25,000 and DBCS was 27,500, and  
25 those were both from Library Reference 17.

26 A And one of the things as we refined our

1 model and again, I can't give you the exact reasons,  
2 but by lowering the throughput means you needed more  
3 equipment, which made us more conservative from a  
4 space estimate, because again this was just a starting  
5 point. All of the formal process and decisionmaking  
6 was all through the formal 408 process, which Witness  
7 Neri will be able to talk about. This just tried to  
8 eliminate any of those issues that were on the cusp.  
9 So again, I can't give you the exact reason for some  
10 of those changes, but when you start to lower  
11 throughput, that inflates the equipment requirements.

12 Q That's fair enough. Now these next two  
13 questions I believe you've answered in the technical  
14 conference, but because that wasn't on the record, we  
15 were hoping to get them on the record here. And the  
16 first is in terms of the iterative nature of -- I'm  
17 sure you've heard Witness Williams talk about the  
18 iterative nature of what they've done. But there was  
19 no iterative nature in the sense that the results of  
20 LogicNet were not then plugged back into LogicNet  
21 after the input from management, is that accurate?

22 A That is 100 percent correct.

23 Q And the results were not input back into the  
24 scoring tool?

25 A That is correct.

26 Q Okay. Now, if you could refer to the Public

1 Representative's Interrogatory T3, No. 9, and if you  
2 could confirm that your responses to part A and B of  
3 that question explain that the windows derived in the  
4 Library Reference 13 were refined after consultation  
5 with management and the equipment determination part  
6 of the model and local insight were completed?

7 A That's correct.

8 Q Can you please confirm that you did not  
9 rerun workload volume with the results of these  
10 improved windows?

11 A Workload volume wouldn't change by windows.  
12 It's assigned to three-digit. So I can confirm that.

13 Q Okay, excellent. Now my last question may  
14 be more of a Wednesday deal as Mr. Tidwell was talking  
15 about earlier. I'm referring to footnotes 26, 27 and  
16 33 in your testimony, and I apologize, I don't have a  
17 page number directly in front of me for those.

18 MR. TIDWELL: Page 21 for footnote 26, and  
19 then 28 is on page 22, and 33 is somewhere after that.  
20 Page 25.

21 BY MR. LAVER:

22 Q And essentially I can tell you from a  
23 general perspective we're trying to figure out how  
24 spiky the data is.

25 A And I think some of the answer to your  
26 question will be in the response to PR29, which will

1 have the daily data. I believe that's why it was  
2 requested. It was like the daily data for AFCS as  
3 well as the DPS operation. If that doesn't meet your  
4 needs, you can certainly let us know and we can  
5 probably -- but I think that will help you see the  
6 variation by day.

7 Q I think we're looking for the peak factors  
8 for the 96th, 97th, 98th and 99th percentile. I'm not  
9 sure that will be in there, but I'm happy to review  
10 that library reference with my technical staff and  
11 then we can ask an institutional interrogatory or a  
12 follow-up interrogatory or call Mr. Tidwell and get a  
13 little bit more information if that's amenable.

14 A Excellent.

15 MR. LAVER: And with that, I think I can  
16 forego the rest that I have. And thank you very much  
17 for your time and your expertise.

18 THE WITNESS: I appreciate it.

19 MR. LAVER: Thank you, Madam Chairman.

20 CHAIRMAN GOLDWAY: Thank you. Do we have  
21 any additional cross from our participants? If not,  
22 then we can go to the bench. Anyone here want to  
23 venture forth? How about we start with Mr. Acton this  
24 time.

25 COMMISSIONER ACTON: Thank you, Madam  
26 Chairman. Well, Ms. Rosenberg, you've had a

1 distinguished career for such a young person: the  
2 Federal Reserve, the United States Postal Service,  
3 IBM. IBM is the developer of the LogicNet  
4 application, is it not?

5 THE WITNESS: That is -- well, I shouldn't  
6 say that. That actually was owned by somebody else  
7 prior to being bought by IBM. So I don't know that it  
8 is the developer. They do own it now.

9 COMMISSIONER ACTON: Okay. When you were at  
10 IBM, did you work with the LogicNet program there?

11 THE WITNESS: Minimally.

12 COMMISSIONER ACTON: Okay. So most of your  
13 experience with it has been at the Postal Service?

14 THE WITNESS: That's correct.

15 COMMISSIONER ACTON: We're interested in a  
16 little comparative discussion here, so if you have had  
17 this type of experience, we'll be eager to hear about  
18 it. If you haven't, then just tell me that for the  
19 record. Is there a sort of comparative scale that you  
20 can offer us in terms of how the Postal Service's  
21 network problem or situation may compare with other  
22 projects that have involved a LogicNet application?

23 THE WITNESS: I joined the Postal Service  
24 towards the end of the modeling initiative I think  
25 that you're alluding to, so I can't do a deep  
26 comparison of the two. I know that in the past, and

1       again I don't know the details of it, the LogicNet  
2       company built a front end to help load data in. This  
3       time we use LogicNet in its pure off-the-shelf sense.  
4       So I know that that's one of the differences. But I  
5       can't really talk in detail about the modeling that  
6       was done previously. I can talk a lot better about  
7       this.

8                   CHAIRMAN GOLDWAY: I think the question was  
9       if you knew of modeling done in other companies as  
10      well as --

11                   THE WITNESS: Oh, I've never -- the only  
12      place that I've ever known LogicNet to be used is at  
13      the Postal Service. Thank you for clarifying.

14                   COMMISSIONER ACTON: But do you know if it  
15      is used in other instances? That's the only one  
16      you're familiar with.

17                   THE WITNESS: I would imagine so.

18                   COMMISSIONER ACTON: Okay.

19                   THE WITNESS: But that would be speculating.

20                   COMMISSIONER ACTON: All right. Do you know  
21      if LogicNet had been used by the Postal Service in the  
22      evolutionary network design proposal which was  
23      presented earlier to this Commission for review?

24                   THE WITNESS: Yes, LogicNet was used at that  
25      time.

26                   COMMISSIONER ACTON: Did you work on that

1 project while you were at IBM?

2 THE WITNESS: They were winding that up when  
3 I joined. So I don't know that -- we were doing a lot  
4 of LogicNet modeling by the time I joined, but I know  
5 that the model had existed and was used.

6 COMMISSIONER ACTON: All right. But you  
7 weren't personally engaged in that?

8 THE WITNESS: No. If anything, very minor.

9 COMMISSIONER ACTON: Okay. One other  
10 question. In terms of optimizing a network, would you  
11 describe your work on this project at the Postal  
12 Service as an analytical approach to optimizing mail  
13 processing, and if the answer is yes, why?

14 THE WITNESS: I would want to clarify that.  
15 I think this is an analytical approach. I wouldn't  
16 say that we're optimizing the network. We're changing  
17 the network, trying to right size the network to our  
18 mail volumes. But I wouldn't be comfortable saying  
19 that it was an analytical approach to optimize the  
20 network.

21 COMMISSIONER ACTON: You know we have  
22 LogicNet here. It's a big investment and it's quite  
23 an impressive machine.

24 THE WITNESS: Yes.

25 COMMISSIONER ACTON: We sent staff for  
26 training on that and it was very involved. So I

1 presume you received the same sort of consideration at  
2 the Service?

3 THE WITNESS: I have never received the  
4 training. The training was held, but I was not part  
5 of any of that training.

6 COMMISSIONER ACTON: But it sounds like you  
7 have some real-world experience with it that works to  
8 familiarize you in the same sense.

9 THE WITNESS: Yes. Yes. I learned on the  
10 job through coworkers.

11 COMMISSIONER ACTON: Okay. Thanks for your  
12 testimony today. Thanks, Madam Chairman.

13 THE WITNESS: Thank you.

14 CHAIRMAN GOLDWAY: Thank you, Mr. Acton.  
15 Commissioner Taub?

16 COMMISSIONER TAUB: Thank you. Just  
17 following up Commissioner Acton's questions in regard  
18 to your background and experience with LogicNet as  
19 well as previous modeling experience, in your previous  
20 modeling experience, was it standard practice to alter  
21 the modeled results so the solution would be more  
22 feasible?

23 THE WITNESS: I think the best way to answer  
24 that is to kind of break that out. On small scale  
25 models, depending on what situation and what scenario  
26 you're trying to model, sometimes you can actually

1 take the results and they are very actionable because  
2 there are not a lot of assumptions made. On this  
3 scale of a model, I think it is quite often that the  
4 results will have to be evaluated and looked at from a  
5 local level.

6 COMMISSIONER TAUB: Got you. On a model of  
7 this scale then, can you give an average number or  
8 typical range of numbers of alterations?

9 THE WITNESS: I can't venture a guess in  
10 terms of the magnitude whether -- I've never done any  
11 other kind of modeling. I've done a lot of modeling.  
12 I've never done optimization models to this extent.  
13 So I can't gauge whether changing one or 20 ZIP  
14 assignments or 100 ZIP assignments is reasonable from  
15 that standpoint.

16 COMMISSIONER TAUB: Fair enough. Now, in  
17 this particular case, was there a point either  
18 suggested by management or through your own  
19 professional opinion at which the number of  
20 alterations would lead you to want to go back and  
21 rework the model?

22 THE WITNESS: The amount of time that I  
23 believe was spent having people review it and talk  
24 through it, I don't know that there was deemed any  
25 added value in remodeling because you'd almost start  
26 potentially from scratch unless you lock down certain

1 ZIPs to plans. However, you can then go back and look  
2 at the workload, look at the equipment sets, and I  
3 think that that was the purpose of the 408. But I  
4 think Witness Neri can definitely talk more about  
5 that.

6 COMMISSIONER TAUB: Okay. And also  
7 following up on your experience at IBM and other  
8 places outside of LogicNet itself, did you work on  
9 industrial or commercial production projects?

10 THE WITNESS: I have never worked on an  
11 industrial or commercial project besides this one.

12 COMMISSIONER TAUB: So, yes, I wanted to get  
13 a sense on that. And the last question I had just  
14 related to LogicNet itself. How long does it take the  
15 Postal Service to run the LogicNet program?

16 THE WITNESS: Physically, once the model and  
17 the construct is built and to just do the  
18 optimization, in early stages, I think we were using  
19 an older version. It was taking hours for it to run.  
20 I think by the final time it was running in minutes  
21 when we got the newer version. So I think it was able  
22 to run much quicker. The actual building and the  
23 construct of the model takes a very long time and I  
24 think your analysts probably well know it is very  
25 finicky. Again, because it's a mathematical solution,  
26 if you say that ZIPs can only go 200 miles and

1 something would have to travel 201, it would tell you  
2 there's no answer. So the building of the model and  
3 refining the model takes a very long time. The actual  
4 run time does not.

5 COMMISSIONER TAUB: So the run time itself  
6 not. But in terms of the building -- given the time  
7 building as well as the running, did you decide to use  
8 the model that was filed in this case as a balance  
9 between run time and modeling detail?

10 THE WITNESS: I think that that's a  
11 reasonable statement. I think certain data sources  
12 can be broken down to a facility level and other  
13 pieces can't. And again, it's a new operating  
14 environment, so we had to make certain assumptions.  
15 But it was definitely a balance between let's get a  
16 starting point for that discussion because if you were  
17 to open it up and say you want to revamp the network,  
18 it makes it a very vague concept. So what we needed  
19 to do is look at reasonable and I think it opened  
20 people's eyes about what could be packed and what --  
21 and again, there are certain things that the model  
22 would do that people are like, you know, based on  
23 weather conditions or something else, you know, you  
24 really need to rethink that because again the model is  
25 blind to that and you wouldn't want to build a model  
26 to that detail. I don't think there's value in that.

1           COMMISSIONER TAUB: And one follow-up on  
2 that. If you were going to try to get additional  
3 details in the model such as say plant-to-plant  
4 transfer of the mail, how would that affect the  
5 ability and the time needed to run the model?

6           THE WITNESS: So that's an excellent  
7 question. At some point, we tried to create a plant-  
8 to-plant and absolutely we could not get it to run  
9 when trying to build in that level of detail in the  
10 version that we wanted. And again, the key to what we  
11 were looking at was the ZIP assignments. That was all  
12 we wanted to get out of LogicNet. So it was an  
13 initiative outside of this, but again, maybe if we had  
14 better computing power or something else, there would  
15 be other alternatives. In an ideal world, we would be  
16 able to use a lot more complexities in the model. But  
17 we were constrained by the equipment and run time.

18           COMMISSIONER TAUB: And my last question on  
19 that, at what point did you decide to model only  
20 plant-to-customer assignments instead of a fuller  
21 detailed description of the network?

22           THE WITNESS: In our goal to get out of  
23 LogicNet was all was to get the ZIP-to-plant mappings  
24 because we knew that it was going to be a starting  
25 point for discussion. So to try to build in all of  
26 those other intricacies, knowing the details and the

1 potential run time, we didn't see the value there.  
2 What we really wanted to do -- I guess I probably  
3 shouldn't speak to that. I am not the person that  
4 made all of those decisions. But I think the time  
5 value added was best getting that ZIP-to-plant mapping  
6 to really start those discussions.

7 COMMISSIONER TAUB: The time value added.  
8 Yes. Okay. Thank you so much.

9 THE WITNESS: You're welcome.

10 CHAIRMAN GOLDWAY: And Vice Chairman  
11 Langley?

12 VICE CHAIRMAN LANGLEY: Thank you very much.  
13 And thank you so much for being with us today. I have  
14 a question from our analysts. I'm not going to  
15 pretend that this is one that I may know. But you  
16 modeled the Postal Service's processing network using  
17 cost per square foot as a production cost. Why did  
18 you decide to use this metric instead of volume or  
19 total unit cost?

20 THE WITNESS: So, again, this was -- and  
21 this goes down to -- this is an excellent question.  
22 It goes down to the modeling of -- we wanted to figure  
23 out how can you simplify the model and still get  
24 value. So what we needed to do was we actually took  
25 the volume and converted the volume into square  
26 footage numbers by shape. So every ZIP code had in

1 the LogicNet model a letter, a flat and like kind of a  
2 package shape. And what it did was because we had a  
3 facility and we knew what the square footage for that  
4 facility was, basically the ZIP codes and the shapes  
5 could compete for the space within that building. So  
6 since we converted the workload to square footage, we  
7 needed to have the costing in there related to the  
8 square footage. So it just calibrated that.

9 VICE CHAIRMAN LANGLEY: So then how will  
10 cost per square foot with the longer proposed  
11 operating windows compare with cost per square foot  
12 with the current operating windows?

13 THE WITNESS: So I think what they're  
14 getting is can utility costs be higher, which  
15 ultimately would make a dollar --

16 VICE CHAIRMAN LANGLEY: Because you're  
17 operating in a longer period of time.

18 THE WITNESS: Exactly. And this is just my  
19 opinion just thinking about it being first asked,  
20 again, I think that becomes a relative component  
21 because it's for the square footage. So, yes, the  
22 utility costs might be higher, but then they should be  
23 higher for all of the volume across there.

24 VICE CHAIRMAN LANGLEY: So for mail  
25 processing costs?

26 THE WITNESS: Exactly. So even though it

1 might have been scaled higher from a model  
2 perspective, and just from my quick thought about  
3 that, I think that it would be evenly higher across  
4 the board since it's a tradeoff. It wouldn't make a  
5 huge difference if we doubled everything in there  
6 because, again, it's still that same tradeoff.

7 VICE CHAIRMAN LANGLEY: So are you getting  
8 more mail processing cost per foot, per square foot?

9 THE WITNESS: I guess if you had higher  
10 utility costs, you would have higher costs, but again,  
11 the LogicNet model isn't specifically used for  
12 costing. So all that LogicNet does is assign the ZIPs  
13 to the plants.

14 VICE CHAIRMAN LANGLEY: Okay.

15 THE WITNESS: And there should be kind of, I  
16 think, where they're going is because the building is  
17 only so big, there's a cap at which how high you can  
18 really pack some kind of machine. So I think there is  
19 a relatively --

20 VICE CHAIRMAN LANGLEY: It's a finite space.

21 THE WITNESS: Exactly. So although utility  
22 costs would be potentially higher in some of the  
23 buildings than were represented there, the relative  
24 size of the building, since the goal of the model is  
25 to pack as much into the buildings, I don't think it  
26 should make a huge difference from that standpoint.

1           VICE CHAIRMAN LANGLEY: Okay. Then let me  
2 ask a couple more. When you're analyzing processing  
3 costs on the basis of cost per square foot, your  
4 regression indicates there are economies of scale in  
5 mail processing, which we have discussed somewhat.  
6 The larger facilities supposedly are less expensive  
7 per square foot than a small facility. Is there  
8 empirical evidence that this is true or is this an  
9 assumption that the Postal Service uses?

10           THE WITNESS: From my understanding, and  
11 again, I shouldn't speak on behalf of the Postal  
12 Service, it was based on previous work and we had  
13 followed the previous methodology used. I think  
14 that's the most accurate way to answer that.

15           VICE CHAIRMAN LANGLEY: Right. I think in  
16 our N case this was also a point of discussion. And  
17 so I know you had a little bit of interplay with  
18 Commissioner Acton on the N case. Are you familiar  
19 with it beyond --

20           THE WITNESS: I joined somewhere in the  
21 summer of 2005, so I know that the N case went on in  
22 2006, so I know. But I wasn't immediately involved in  
23 it.

24           VICE CHAIRMAN LANGLEY: You're not involved  
25 with it. Okay, thank you.

26           THE WITNESS: That's a contractor.

1                   VICE CHAIRMAN LANGLEY: I have one further  
2 question that I just want to get on the record of the  
3 official transcript because I do think it's important.  
4 You responded to the Greeting Card Association on T3-  
5 25 talking about using the modeling for the 48  
6 contiguous states and that it wasn't used for the  
7 noncontiguous areas. And my understanding from what I  
8 know of the consolidation plans is there are no plants  
9 being consolidated within those areas. And so is that  
10 the reason that modeling was not used?

11                   THE WITNESS: The reason that they were  
12 excluded from the initial modeling is they have a  
13 special nature today. They have certain exceptions to  
14 service standards and it was important that they  
15 couldn't be assigned the same rules that the  
16 contiguous United States. They also needed to be  
17 treated. So that was really the reason that they were  
18 looked and then evaluated separately to see if there  
19 was opportunity.

20                   VICE CHAIRMAN LANGLEY: Thank you again for  
21 your testimony.

22                   THE WITNESS: Thank you.

23                   CHAIRMAN GOLDWAY: Well, I don't have very  
24 many questions and some of them may already be  
25 covered. But I think we wanted to get a sense from  
26 you about if you have a professional evaluation of the

1 value of modeling. In this case, we understand about  
2 75 percent of the pairing and allocations were changed  
3 after local input, local insight. It would seem to  
4 me, you know, if you had a model and you changed 10 or  
5 20 or even 30 percent that it's worth doing. But is  
6 it worth the exercise when you wind up changing 75  
7 percent of the recommendations? Would you have just  
8 been better with the existing engineers coming up with  
9 what they wanted anyway?

10 THE WITNESS: So I guess I want to clarify  
11 one thing. I'd have to clarify the 75 percent  
12 because, again, there are so many components with the  
13 ZIP assignments in the plants. But from your question  
14 just in terms of changing a lot, hypothetically  
15 changing a lot from a model, is there value, and I  
16 think what the modeling does is at local levels, a lot  
17 of the AMPs I think were done from bottom up and so  
18 when people look at the opportunities to consolidate,  
19 they look at what they know. So what these national  
20 models do is kind of show what happens when you cross  
21 area lines, when you cross other district lines. So I  
22 do think that there is value in creating that  
23 discussion and opening up those opportunities from  
24 that standpoint.

25 CHAIRMAN GOLDWAY: Even if the changes are  
26 so dramatic ultimately?

1           THE WITNESS: If they ultimately get you to  
2 the goal that you're looking for, at some  
3 consolidation, I do think that there is still some  
4 value. And again, if you have people that can look at  
5 it from holistic without a model, but I think it is  
6 such a big problem to start just with a clean slate  
7 and kind of a green field is really hard. So it kind  
8 of at least creates structure around the conversation.  
9 So I do think there's some value added in doing that.

10           CHAIRMAN GOLDWAY: You testified that the  
11 process was the Postal Service said we'll get rid of  
12 overnight service and then we'll come up with the  
13 operating time and we'll come up with a model based on  
14 that and that other options would have been available.  
15 So theoretically one could have said we'll model an  
16 operation that runs from 6 in the morning to midnight  
17 and avoid an expensive night shift and see what we  
18 get, right, and how much money we could save from that  
19 versus the mode of operation that the Post Service  
20 selected as a way to save funds, right?

21           THE WITNESS: Hypothetically you can choose  
22 any windows.

23           CHAIRMAN GOLDWAY: You could have looked at  
24 the volume of mail in three-digit ZIP code pairs  
25 around the country and tried a green field approach  
26 where you said where would the best plants be to

1 handle that kind of mail, right?

2 THE WITNESS: Hypothetically you could do  
3 that.

4 CHAIRMAN GOLDWAY: Hypothetically. And then  
5 maybe compare the best plant optimization with what  
6 you've got. You know, the Germans had the luxury of  
7 building a whole new network from scratch in the '90s,  
8 so you might look at what you've got and see how much  
9 you might need to rebuild versus maintain if you had  
10 that kind of modeling, right?

11 THE WITNESS: And to that point, though, I  
12 think in the nature of where our business is right  
13 now, it was deemed that it wasn't really an option to  
14 be able to erect new sites, and so we wanted to make  
15 changes within our current infrastructure and that was  
16 the ultimate.

17 CHAIRMAN GOLDWAY: But it would be an  
18 interesting exercise, wouldn't it, to see how closely  
19 you matched with what might be ideal in the future?

20 THE WITNESS: Along those lines, from just  
21 my expertise, I don't know that we would necessarily  
22 align with what's an optimal network.

23 CHAIRMAN GOLDWAY: And I guess the final  
24 question is when you looked at the cost impact of the  
25 LogicNet model, the original model, and the final  
26 model, what was the difference between the two?

1 THE WITNESS: I don't believe that the  
2 original model was ever costed. That just came out  
3 with the pure LogicNet results.

4 CHAIRMAN GOLDWAY: So there was no  
5 indication of what the savings would be with that  
6 first cut model?

7 THE WITNESS: Not that I'm aware of.

8 CHAIRMAN GOLDWAY: Only with the one that  
9 included the insight from the AMP processes.

10 THE WITNESS: I believe so.

11 CHAIRMAN GOLDWAY: Okay. I think that that  
12 concludes the questions that we have. Was anyone from  
13 staff asking for any more questions?

14 COMMISSIONER TAUB: Madam Chair, I do  
15 have --

16 CHAIRMAN GOLDWAY: Commissioner Taub?

17 COMMISSIONER TAUB: -- one follow-up on the  
18 discussion with the modifications of those 2,700 some  
19 odd assignments that you had with the Mail Handlers  
20 Union counsel earlier about modifying those. You  
21 indicated you didn't hard code the assignments back  
22 into LogicNet. During that discussion, do you recall  
23 that earlier?

24 THE WITNESS: I think you were referring to  
25 saying after the local insights, did we remodel the  
26 local insights.

1 COMMISSIONER TAUB: Exactly.

2 THE WITNESS: Okay.

3 COMMISSIONER TAUB: Yes. And that wasn't  
4 hard coded back into LogicNet. If you did hard code  
5 those back in, could you compare the cost of the  
6 LogicNet solution with the modified assignments?

7 THE WITNESS: I think we have to be careful  
8 because we never use LogicNet from a costing  
9 perspective. We purely used it for the ZIP  
10 assignment. So you could fix that. And, again,  
11 LogicNet actually returned an infeasible result due to  
12 other constraints again because you know that you  
13 might be able to run something 15 minutes longer, so  
14 you might need to tweak things if you put in the exact  
15 thing just because in reality you can kind of make  
16 some minor tweaks or amendments. So, if you put in  
17 the exact -- I can't venture to say that LogicNet is  
18 going to give us, this is a feasible result. If it  
19 did, you can compare the LogicNet results from before  
20 to after.

21 But since we never use LogicNet for that,  
22 I'm not sure that there would be a tremendous amount  
23 of value because I don't know what the magnitude would  
24 really mean. There would be no way to -- in my mind,  
25 from my expertise, I wouldn't know how to evaluate  
26 that comparison.

1 COMMISSIONER TAUB: Got you. Thanks.

2 THE WITNESS: You're welcome.

3 CHAIRMAN GOLDWAY: And just one more  
4 clarification, because it is true in the technical  
5 conference, we were told that it was taking you hours  
6 to run the program and when we did it here, it took  
7 minutes. Now you've clarified that you've updated  
8 your machines and it takes minutes. But are you still  
9 saying that adding different inputs takes hours? I  
10 mean, you run the program in minutes now, but adding  
11 different inputs will still take how much time?

12 THE WITNESS: So that's an excellent  
13 question. If the inputs are ready to go, it probably  
14 only maybe takes like 10 minutes to load in the data.  
15 It's the prep of the data, looking at the other data  
16 sources and depending on how you want to do that. So,  
17 if there is other inputs, it doesn't take long to just  
18 upload. But the formatting, doing the analysis to  
19 make sure that those are the right inputs, doing the  
20 right information and getting it into the model can  
21 take a long time.

22 CHAIRMAN GOLDWAY: And you haven't been  
23 working on any additional inputs?

24 THE WITNESS: I have not worked on any  
25 additional inputs.

26 CHAIRMAN GOLDWAY: Okay. I think that that

1 concludes the questions we have from the bench, and  
2 now we have an opportunity for redirect. Do you want  
3 a break?

4 MR. TIDWELL: Madam Chairman, the Postal  
5 Service would like to reserve redirect and we'll pass  
6 it on to co-counsel and tomorrow's witnesses.

7 CHAIRMAN GOLDWAY: Fine. I think that's a  
8 good deal since it's 4:55 and we're all anxious to  
9 leave. So, Ms. Rosenberg, that concludes your  
10 testimony here. We thank you for your participation  
11 and your contribution to the record. It took me a  
12 little while to begin to focus on your level of  
13 expertise. I hope I understood at least some portion  
14 of it and I'm sure everyone else in the room  
15 benefitted from your discussion. We are pleased to be  
16 able to tell you that you're now excused.

17 THE WITNESS: Excellent. Thank you.

18 CHAIRMAN GOLDWAY: And thank you again, and  
19 we were glad to meet you.

20 (Witness excused.)

21 CHAIRMAN GOLDWAY: We will reconvene at 9:30  
22 tomorrow morning and we have five witnesses -- four  
23 witnesses tomorrow. You had said five earlier -- good  
24 news. Four witnesses tomorrow and hopefully that will  
25 conclude the set of hearings in this first phase of  
26 the N case review. Thank you again and I'll see many

1 of you tomorrow.

2 (Whereupon, at 4:58 p.m., the hearing in the  
3 above-entitled matter was adjourned, to reconvene at  
4 9:30 a.m. the following day, Friday, March 23, 2012.)

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REPORTER'S CERTIFICATE

DOCKET NO.: N2012-1  
CASE TITLE: Mail Processing Network Rationalization  
Service Changes, 2012  
HEARING DATE: 3/22/12  
LOCATION: WDC

I hereby certify that the proceedings and evidence are contained fully and accurately on the tapes and notes reported by me at the hearing in the above case before Postal Regulatory Commission.

Date: 3/22/12



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