

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Complaint on Sunday
and Holiday Collections

Docket No. C2001-1

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO POPKIN INTERROGATORIES DBP/USPS-21-22
(September 10, 2001)

DBP/USPS-21 - 22 were filed on August 27, 2001. On September 6, the Postal Service filed partial objections to both questions, and the attached responses to those items do not waive those objections. The interrogatories are stated verbatim, and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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September 10, 2001

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DBP/USPS-21 Please refer to your Library Reference USPS-LR-6/C2001-1. [a] What is the relationship, if any, between the three-digit "Fac ID" and the ZIP Code area having that same three-digit prefix? [b] Please provide a listing of the ZIP Code areas that are covered in each of the facilities listed. For example, Elizabeth NJ 072 and Jersey City NJ 073 send their mail at all times to the D V Daniels P&DC 070. This information is needed to allow for a determination of the ZIP Code areas of the country that received mail processing on a given holiday. If the facility matches the ZIP Code area such as Hackensack 076, it is not necessary to indicate this except by an overall reference. [c] Confirm, or explain if you are unable to do so, that the listing of facilities not only includes Processing and Distribution Centers/Facilities but also includes Airport Mail Facilities and Priority Mail Processing Centers. [d] List and explain any other types of facilities that are included in this reference. [e] Explain the significance of the entries such as on Dr. King's Birthday in 2000 where D V Daniels 070 processed it's own mail as well as the mail that was forwarded there by Newark 071 however the Newark AMC and the No Jersey PMPC did not process any mail. This would appear to indicate that First-Class Mail was processed but Priority [which is a part of the First-Class Mail system] and Express Mail was not. Please explain the significance to be drawn countrywide from the entries for Airport Mail Facilities, Priority Mail Processing Centers, and any other facilities that are not P&DC/P&DF's. [f] Explain the significance of the entries such as on Dr. King's Birthday in 2000 where Morgan Station 100 processed mail while J A Farley 101 and Church Street 102 did not. My understanding is that these facilities normally do not process any outgoing mail and therefore all of the mail from Manhattan was processed at Morgan Station. If this is not the case, provide the ZIP Codes in Manhattan that have their outgoing mail processed at each of the three facilities. [g] Provide a listing of any other facilities [in this Reference] in the country that do not normally process outgoing mail similar to 101 and 102 noted above. [h] What is the function of the Linthicum IMF 213 and explain why it does not process mail on holidays? [i] What is the function of the Sunset DDC 970 and Mt Hood DDC 976 and explain why they do not process mail on holidays? [j] Should the listing for Phoenix PMPPC 853 read PMPC? If not, what is the function of a PMPPC and explain why it does not process mail on a holiday?

RESPONSE:

- a. There is a close, but not exact, relationship between the three-digit facility ID in the Mail Condition Reporting System (MCRS) and the first three digits of the ZIP Codes served by that facility.
- b. The closest available list is DMM List L005 3-Digit ZIP Code Prefix

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Groups -- SCF Sortation.

c. Confirmed. When preparing LR-2, it was determined that it was easier to manipulate the MCRS data in the spreadsheets if all files (i.e., the files for each holiday) contained the same number of rows. The quickest way to accomplish that objective was to include a row for all facilities in the reporting system, whether they cancel mail or not. This procedure caused the inclusion of facilities other than P&DCs/P&DFs.

d. An examination of LR-2 should allow identification of facilities that never cancel mail. Those facilities and their operations are irrelevant to the analysis, which is intended to provide a historical time series of information on the facilities that have cancelled mail on holidays.

e. There is no significance to the fact that facilities within the postal network that are not intended to cancel mail report no cancellations volumes in the MCRS. The data in LR-2 relate to cancellations, not other mail processing activities.

f. The fact that an examination of LR-2 reveals no instances on any holiday in any year in which cancellation volumes are reported for J A Farley 101 and Church St 102 would appear to corroborate your understanding that the role of those two facilities in the postal network does not include the cancellation operation.

g. Reasonable conclusion on this type of information could be drawn from close examination of LR-2. To facilitate the task, however, a list is attached that shows which MCRS facilities reported no cancellation activity over a recent extended (i.e., multi-week) period.

h. It is an IMF (Incoming Mail Facility), incoming mail does not require

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cancellation, and the reported MCRS data only pertain to cancellations.

i. They are Destination Distribution Centers, destinating mail does not require cancellation, and the reported MCRS data only pertain to cancellations.

j. It is a Priority Mail Postal Processing Center (PMPPC), as opposed to PMPCs that used to be contractor-operated, and the cancellation operation is not conducted at either such facility.

OFFICES WHICH REPORTED NO CANCELLATION ACTIVITY
 DURING APS 12 AND 13, FY 2001

AREANAME	FACNAME
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ALLEGHENY	PHILA PMPC PITTSBURGH AMC PITTSBRGH PMPC PHL AMC PA COLUMBUS AMF CLEVELAND AMC CINCINNATI AMF
CAPITAL METRO	WASH AMC DC WALDORF DDC BALTIMORE AMC LINTHICUM IMF DULLES AMC VA
GREAT LAKES	INDNAPOLIS AMC DETROIT AMC MI DETROIT P1 JACKSON MI GRAND RPDS AMF GRAND RPDS P1 O HARE AMC IL CHICAGO MSH
MID-ATLANTIC	RICHMOND AMF RALEIGH AMC CHARLOTTE AMC COLMBIA AMF SC GREENVILLE AMF LOUISVILLE AMF
MIDWEST	DES MOINES AMF CEDAR RPDS AMF MILWAUKEE AMC TWN CITIES AMC ST LOUIS AMC KAN CTY AMC MO OMAHA AMF NE
NEW YORK METRO	SAN JUAN AMF NEWARK AMC NJ NO JERSEY PMPC JAFARLEY STA CHURCH STREET LA GUARDIA AMC KENNEDY AMF NY METRO NY PMPC
NORTHEAST	SPRINGFLD PMPC BOSTON AMC MA NASHUA PMPC BRADLEY AMF CT BUFFALO AMF NY ROCHESTER PMPC
PACIFIC	WORLDWAY AMC ONTARIO AMF CA SAN DIEGO AMF

* OFFICES WHICH REPORTED NO CANCELLATION ACTIVITY
DURING APS 12 AND 13, FY 2001

AREANAME	FACNAME
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PACIFIC	SAN FRAN AMC OAKLAND AMF CA SACRAMENTO AMF
SOUTHEAST	ATLANTA AMC GA JCKSNVLE AMF MIAMI AMC FL TAMPA AMC FL BIRMINGHAM AMF NASHVILLE AMC MEMPHIS AMC TN JACKSNVLE PMPC MIAMI PMPC
SOUTHWEST	ORLANDO PMPC NEW ORLNS AMC OKLAHOMA AMF TULSA AMF OK DALLAS AMC TX HOUSTON AMC TX
WESTERN	DENVER AMC CO BOISE AMF ID SALT LAKE AMC PHOENIX AMC AZ PHOENIX PMPPC ALBUQUURQUE AMF LAS VEGAS AMC RENO AMF NV SUNSET DDC PORTLAND AMF MT HOOD DDC SEATTLE AMC ANCHORAGE AMF

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DBP/USPS-22 The purpose of this interrogatory is to examine one of the eleven areas in the country as a case study and to determine the reasons why most, but not all, of the processing facilities either processed or did not process mail on a given holiday. I have omitted the AMF/AMC entries from the evaluation. Mail which has been forwarded to another facility counts as being processed. The area being considered for this case study is the Pacific Area. [a] On Dr King's Birthday 2000, explain why all of the facilities except Sacramento and Marysville processed mail. Provide the reasons why the decision maker at all but two of the facilities felt there was a need and also explain why the decision maker at two of the facilities felt that there was not a need to process mail. [b] Same as subpart a except for Dr King's Birthday 2001 where all facilities processed mail except Honolulu. [c] Same as subpart a except for Presidents Day 2000 where all facilities processed mail except Los Angeles, Sacramento, and Marysville. [d] Same as subpart a except for Presidents Day 2001 where all facilities processed mail except Honolulu. [e] Same as subpart a except for Columbus Day 1999 where all facilities processed mail except Pasadena. [f] Same as subpart a except for Columbus Day 2000 where all facilities processed mail except Marina, Long Beach, and Bakersfield. [g] Same as subpart a except for Veterans Day 1999 where all facilities processed mail except Honolulu. [h] Same as subpart a except for Veterans Day 2000 where none of the facilities processed mail except Pasadena, M L Sellers, Oxnard, Santa Barbara, North Bay, and Redding. [i] Same as subpart a except for Thanksgiving 1999 where none of the facilities processed mail except Pasadena, Stockton, Sacramento, and Marysville. [j] Same as subpart a except for Thanksgiving 2000 where none of the facilities processed mail except San Francisco.

RESPONSE:

Presented below is the specific information obtained with respect to each of the individual subparts posed in this question. It should be noted that, in several instances, this information corrects earlier information, with the result that, after these corrections, the number of plants that might be considered "outliers" (facilities that didn't cancel when most others did, or did cancel when most other facilities did not) is substantially reduced. With respect to the remaining "outliers," the below information in some instances explains why their activity (or lack of activity) deviated from that of the other plants in the Area.

In general, however, the factors driving decisions to process outgoing mail on

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holidays or not remain as suggested by the Postal Service throughout this proceeding. Expected workload includes consideration of factors such as mail volume on hand going in to the holiday, and the amount of volume experienced on similar holidays in the past. The predominant concern with service is to avoid having a surge in workload on the day after the holiday that would interfere with timely dispatch of mail on that day. Staffing resources must be carefully scheduled, in both the collection (i.e., carrier) and processing functions.

It should be noted, moreover, that technology resources affecting the ability to meet the outgoing processing workload have changed materially in recent years. Improvements in equipment capabilities, such as handwriting recognition, have enhanced the Postal Service's ability to process outgoing letter-shaped mail, of which the vast majority of collection mail consists. The achieved throughputs on the equipment have increased, with the result that the capacity exists to handle more collection mail within a shorter operating window. Emblematic of these changes in the operating environment over the last several years has been the Postal Service's ability to send less mail to the Remote Encoding Centers, and, in fact, to beginning closing RECs over this period. Therefore, while a post-holiday workload anticipated at a given level in years past may have triggered the perceived need to process mail on the holiday in order to avoid problems on the day following, workload anticipated at the same given level in today's operating environment may be viewed as insufficient to warrant holiday operations. Officials at the Area level, the performance cluster level, and the plant level take all of these factors into account when making the determination whether or not to schedule outgoing processing on the holiday.

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Beyond that, of course, are factors that may not be anticipated. Thus, despite previous intentions, on-site personnel in the plant on the holiday may determine that available staff and available workload justify initiation of outgoing operations. See, e.g., the response to DFC/USPS-61, regarding Portland OR on Memorial Day 1999.

Therefore, because it is repetitive consideration of the same factors which drive determinations regarding particular holidays and particular facilities, there is no additional information regarding the specific circumstances addressed in this question, beyond that as indicated below.

a. The latest information is that Sacramento processed on the King Holiday in 2000. Therefore, in LR-2, the entry for Sacramento on that date should be changed from 0.00 to 0.452. In LR-6, the entry for Sacramento should be changed to PR, and the entry for Marysville should be changed to 958, to indicate that mail from Marysville was forwarded for processing to Sacramento on that holiday. Consequently, accounting for these changes, the most current information is that the facilities in the Pacific Area uniformly processed on the King Holiday in 2000, presumably because of the types of considerations outlined above.

b. Apparently, officials in Honolulu made a similar assessment with respect to the King Holiday in 2001 as they did with respect to Veteran's Day 1999. See the response to part g. below.

c. Regarding President's Day 2000, officials in Los Angeles determined that, rather than cancel mail on the holiday, they would focus their resources in other ways.

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Specifically, they worked to clear out any delayed mail *before* the holiday, and they carefully monitored carrier scheduling and leave status on the day *after* the holiday to make sure that mail got from the collection boxes into processing early enough to avoid problems meeting outgoing dispatches from the plant on Tuesday night. With these actions, given past experience, they believed that they would be able to avoid having to run outgoing operations on the holiday. With respect to Sacramento and Marysville, the latest information indicates that Sacramento cancelled on President's Day 2000, and Marysville forwarded its mail to Sacramento. This information leaves Los Angeles as the only facility that did not process, for the reasons explained immediately above.

d. Apparently, officials in Honolulu made a similar assessment with respect to the Presidents Day Holiday in 2001 as they did with respect to Veteran's Day 1999. See the response to part g. below.

e. While the absence of cancellation activity at the Pasadena plant itself on Columbus Day 1999 is consistent with the pattern for similar holidays in recent years, it is unclear why mail would not have been forwarded to Santa Clarita 914 on that day, if Santa Clarita cancelled. (LR-2 and LR-6 differ with respect to Santa Clarita.) Otherwise, the facilities uniformly processed outgoing mail on Columbus Day 1999, presumably because of the types of considerations outlined above.

f. The latest information is that on Columbus Day 2000, the Long Beach plant did cancellations for both Long Beach and Marina. With respect to Bakersfield, LR-2 reported a figure for Columbus Day 2000 that indicated a commensurate amount of processing on that holiday in 2000 as on the same holiday in other years. In LR-6,

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however, the entry for Bakersfield was changed to None. The reason for this change is unknown. Otherwise, the facilities uniformly processed outgoing mail on Columbus Day 2000, presumably because of the types of considerations outlined above.

g. The Area reports that after evaluating current mail condition and assessing past and anticipated holiday volume, Honolulu officials determined that they did not need to cancel on Veterans Day 1999 to meet their service commitments. Otherwise, the facilities uniformly processed outgoing mail on Veterans Day 1999, presumably because of the types of considerations outlined above.

h. Please see the response to DFC/USPS-76 for the latest information regarding Veterans Day 2000. Note that Veterans Day 2000 occurred on a Saturday, which distinguishes Veterans Day 2000 from the same holiday on the previous year, and contributed to the Area-wide decision to defer processing until the following Monday.

i. No mail was cancelled in Stockton, Marysville, or Sacramento on Thanksgiving 1999. The figure for that date in LR-2 for Sacramento erroneously reflects the volume cancelled on the day before the holiday, which for some reason got repeated within the MCRS report as the volume for Thanksgiving. No processing was done in Sacramento, however, and therefore the other two plants did not forward their mail to Sacramento. Similarly, the entries for Pasadena in LR-2 and LR-6 also appear to be in error, because current information is that the facility did not process on Thanksgiving 1999. (This is consistent with the fact that the figure in LR-2 looks implausibly large, in the sense that with a reported value of 0.980, it indicates that the reported cancellations for Thanksgiving were essentially equal to the average day's cancellations, which seems unlikely.) Thus, it

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appears that the facilities uniformly did not process outgoing mail on Thanksgiving 1999, which is to be expected on a low-volume widely-observed holiday, because of the types of considerations outlined above.

j. The most recent information is that going into the Thanksgiving holiday in 2000, officials in San Francisco were concerned about the mail volume on hand, and therefore the decision was made to bring staff in over the holiday, just at that facility, to work down the backlog. Otherwise, the facilities uniformly did not process outgoing mail on Thanksgiving 2000, which is to be expected on a low-volume widely-observed holiday, because of the types of considerations outlined above.

CERTIFICATE OF SERVICE

I hereby certify that, in accordance with section 12 of the Rules of Practice, I have this day served the foregoing document upon:

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