

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

Complaint on First-Class Mail
Service Standards

Docket No. C2001-3

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN
(DBP/USPS-83-87, 89-91)

The United States Postal Service hereby files its responses to the following interrogatories of David Popkin: DBP/USPS-83-87, 89-91, filed on November 5, 2001.

Each interrogatory is stated verbatim and is followed by the response.

An objection to DBP/USPS-88 was filed today.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux
Chief Counsel
Ratemaking

Michael T. Tidwell
Attorney

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2998/ FAX: -5402
mtidwell@email.usps.gov
November 26, 2001

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

DBP/USPS-83

Please refer to your response to DBP/USPS-36.

- (a) Please explain the conditions under which a buffer time of 2.5 hours is chosen vs. a buffer time of 3.5 hours.
- (b) Please explain why it is not possible to utilize a Drive Time of 13 hours in those instances where a buffer time of 2.5 hours exists and still maintain the total of 15-1/2 hours.

RESPONSE:

- (a) As displayed in the PowerPoint Presentation in DFC-LR-1, drive times of up to 8 hours receive 3.5 hours Buffer, and trips that fall between 8 hours and 12 hours receive 2.5 hours.
- (b) It *would* be possible, if that is how the model had been designed. However, the Postal Service reduced the Buffer Time for longer trips in order to allow for slip-seat driver changes, and related impacts, resulting from the 10-Hour Rule which limits the time a single driver can drive.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

DBP/USPS-84

Please refer to your response to DBP/USPS-40.

- (a) For each of the five elements of Interrogatory DBP/USPS-11 subpart d that are not offered as possible modifications within the PC Miler program, namely, 3 [average speed on the actual trip], 5 [weather], 6 [time of day], 7 [day of week], and 8 [season of the year]. Please explain how the PC Miler program accommodates the variations of each of these five elements. Does it ignore the element? Does it use an average value? Does it use a maximum condition?
- (b) Describe the modifications, if any, that the Postal Service utilizes to compensate for each of the five elements.
- (c) Confirm, or explain if you are unable to do so, that each of these five elements will have an effect on the drive time between the two points involved.

RESPONSE:

- (a) As previously explained in response to DBP/USPS-11, those elements are not included as part of the PC Miler Program. It is unknown if any of those factors were used in the program development.
- (b) As previously described in response to OCA/USPS-12(a), the Postal Service contracts at speeds that are, on an average, over 19% slower than the maximum state speeds. In addition to the concerns regarding safe driving speeds, this adjustment helps to compensate for some of the five elements identified.
- (c) Confirmed. It is possible for any, or all, of the five elements to “have an effect on the drive time between the two points involved.”

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

DBP/USPS-85

Please refer to your response to DBP/USPS-42.

- (a) Please confirm that the projected drive time of 12:06 hours between Origin P&DC Columbia SC 290 and ADC Miami FL 331 is 3 minutes and 3.6 seconds more than the cut-off time of 12.049 hours [the break-point between being 2-day and 3-day service standard].
- (b) Please confirm that the projected drive time from the South Florida P&DC to the Columbia ADC is the same projected drive time in the reverse direction.
- (c) Same as subpart b except replacing the South Florida P&DC with the Miami P&DC.
- (d) Does the PC Miler program always utilize the same drive time from A to B as it does from B to A [other than in those instances where it compensates for crossing a time zone boundary]?
- (e) If not, please explain the compensation that it makes for direction of travel.
- (f) Please confirm that the Miami P&DC and ADC are co-located.
- (g) Same as subpart f except for the Columbia P&DC and ADC.
- (h) Please confirm that the Miami P&DC is located at 2200 NW 72nd Avenue in Miami.
- (i) Please confirm that the South Florida P&DC is located at 16000 Pines Boulevard, Pembroke Pines.
- (j) Please confirm that the projected drive time between Columbia and South Florida is 30 minutes less than the projected drive time between Columbia and Miami.
- (k) Please confirm that the South Florida P&DC is approximately 1.4 miles off of Interstate 75.
- (l) Please confirm that the Miami P&DC is approximately 0.6 miles off of the Palmetto Expressway.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

DBP/USPS-85 (continued):

- (m) What is the posted speed limit on the approximate 7.0 miles of the Palmetto Expressway and the approximate 9.3 miles of Interstate 75 that would be traveled between the two facilities?
- (n) What is the actual travel time for vehicles that transport mail between the South Florida and Miami facilities. If the time is different at different times of the day or week, provide a listing of the specifics.
- (o) At what point in the transportation process, if any, does mail destined for the Columbia ADC from the South Florida P&DC merge in its transportation with mail from the Miami P&DC?
- (p) Confirm that the service standards for South Florida P&DC are 2-day vs. 3-day for Miami P&DC for mail destined to the Columbia SC, Atlanta GA, and Montgomery AL ADCs.
- (q) Provide the projected travel times between Atlanta and South Florida vs. Miami and between Montgomery and South Florida vs. Miami.
- (r) Please explain and discuss any subparts that you are unable to confirm.

RESPONSE:

- (a-c, f-j, p) Confirmed.
- (d) The answer to whether it “always” utilizes the same drive time is unknown. The vast majority of pairs appear to be the same both directions. However, since there are some Interstate highways that have exits which are accessible from only one side of the road, that there may be slight differences in some instances. As of this date, none have been identified which altered the decision as to whether the 2 & 3-Day Model produced either a 2-Day or a 3-Day standard.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

Response to DBP/USPS-85 (continued):

- (e) N/A

- (k,l) For purposes of this litigation, you may assume any distance you consider appropriate. The Postal Service cannot conceive of any material purpose related to this proceeding that would be served by expending resources to measure these distances.

- (m) The Postal Service cannot conceive of any material purpose that would be served by sending an employee out along this route to determine if there is one or more posted speed limits along this route or what the posted limit(s) may be. This is not information uniquely under the control of the Postal Service. This is public information for which it is unreasonable to rely exclusively upon the Postal Service to collect. Pursue other methods of obtaining this information. Alternatively, assume any speed limit that suits your purposes.

- (n) Trips between 07:30 and 16:30 are currently allowed between 40 and 45 minutes. Trips traveling throughout the remainder of the day are currently scheduled for 30 to 35 minutes.

- (o) In this particular instance, the Southeast Area determined that there is inadequate volume to Columbia to warrant a surface trip. Therefore, mail from both South Florida P&DC and Miami P&DC is currently being flown

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

Response to DBP/USPS-85 (continued):

to Columbia SC, so the mail can be viewed as “merging” at the Miami AMC.

- (q) Atlanta and Montgomery to South Florida = N/A. The Model does not flow between Atlanta or Montgomery to South Florida because South Florida is not an ADC. Atlanta to Miami = 12.1. Montgomery to Miami = 14.6
- (r) South Florida is not a Destination ADC, therefore, it is not part of the Drive Time Matrix.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

DBP/USPS-86

Please refer to your response to DBP/USPS-46.

- (a) Please confirm that in those instances where air transportation is used for 2-day mail, had surface transportation been utilized in place of air transportation, it would still have been possible to meet the applicable 2-day service standard.
- (b) Please explain why air transportation is utilized instead of surface transportation in those instances.
- (c) If you are unable to confirm subpart a, please answer my original interrogatory DBP/USPS-46 as asked as well as explain and discuss.
- (d) Please provide a complete listing of those origin-destination pairs which have a service standard of overnight or two days where air transportation is utilized in part or whole.

RESPONSE:

- (a) That is the clear implication of the response to DBP/USPS-46.
- (b) Frequently, it is due to inadequate originating mail volume going to a particular destination ADC, which would make surface transportation unfeasible. Existing commercial air transportation is used rather than contracting small vehicles, like station wagons, to haul minimal volumes of mail to destinations up to 12 hours away.
- (c) N/A
- (d) The Postal Service is determining whether such a list can be compiled.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

DBP/USPS-87

Please refer to your response to DBP/USPS-33 and the associated Library Reference USPS LR C2001-3/3.

- (a) With respect to the 13 facilities that are not able to meet the National CT for three-day mail, either surface or air, what is the significance of this non-compliance so long as the mail for all of the country achieves delivery within three days?
- (b) For each of the 7 facilities that are not able to meet the National CT for 2-day mail, do they still utilize the same 12-hour drive time maximum? If not, please provide the drive time maximum for 2-day mail for each of the 7 facilities.
- (c) For each of the 7 facilities that are not able to meet the National CT for 2-day mail, please provide a listing of those ADCs that now receive 3-day service as opposed to receiving 2-day service if the facility met the National CT.
- (d) For each of the 2 facilities that are not able to meet the National CT for 1-day mail, please provide a listing of those ADCs that now receive 2-day service as opposed to receiving 1-day service if the facility met the National CT.
- (e) With respect to the 4 facilities in the Southeast Area, please advise the expected completion date for installation of the processing equipment and the ability to meet the National standards.
- (f) Are Minneapolis and St. Paul now in compliance since the scheduled date was over a year ago? If not, what is the new expected date?

RESPONSE:

- (a) Beyond the inherent corporate advantages of standardization, there is no specific “significance” to their inability to meet the national standard. However, successful organizations, such as McDonalds, do not allow their local franchises (something organizationally akin to a P&DC) to decide whether or not they want to make their hamburgers “square” rather than

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

Response to DBP/USPS-87 (continued)

round. Each franchise has to meet minimum standards established by their corporate headquarters. This is the direction the Postal Service was trying to head, when it applied the Baldrige Process in establishing the National Clearance Times and Critical Entry Time standards.

- (b) Yes, they use the same 12-hour drive time maximum. Additionally, their drive time clock “starts” at 02:30, just as at all the other Processing facilities. The time that they clear past the 02:30 is just deducted from their available Buffer Time.
- (c) The resulting standards are exactly the same as if they cleared on time, as indicated in (b), above.
- (d) As previously stated in earlier responses, the 2 & 3-Day Model did not result in any changes to 1-Day Service Standards. Therefore, the existing 1-Day standards are exactly the same as they were prior to the establishment of the National No Later Than CTs.
- (e) The facilities have yet to receive the equipment they desired due to a recent reduction of equipment purchases, and there is no current date for an expected delivery of such equipment. However, as additional information, their 2-day Service Standard reach is exactly the same as if they were clearing their mail at the National CT.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

Response to DBP/USPS-87 (continued)

- (f) No, they are not yet in compliance, due to a recent reduction of equipment purchases, and there is no current date for their expected compliance with the National CT. However, as additional information, their 2-day Service Standard reach is exactly the same as if they were clearing their mail at the National CT.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

DBP/USPS-89

Please refer to your response to DBP/USPS-37 and the associated Library Reference USPS LR C2001-3/3.

- (a) Please confirm that an “Outlier” facility, such as Midland, Texas, will process and dispatch its own overnight mail independently of its Parent P&DC but that it will dispatch its 2-day and 3-day mail to its Parent P&DC in El Paso, Texas, for forwarding on to the rest of the country.
- (b) Please confirm that the 2-day and therefore, by default, the 3-day service standards of the “outlier” facility will be uniform within its area but may be different than those of its Parent P&DC - such as - Midland, Texas, will have a different 2- and 3-day delivery standard than El Paso, Texas.
- (c) Please confirm that the 2-day delivery standard area for Midland, Texas, includes the ADCs in Albuquerque, Tulsa, Oklahoma City, San Antonio, North Texas, Fort Worth, and part of North Houston.
- (d) Please confirm that the 2-day delivery standard area for El Paso, Texas, includes the ADCs in Albuquerque, San Antonio, and Phoenix.
- (e) Please confirm that for mail originating in Midland, Texas, that part of the North Houston ADC is 2-days and the remainder is 3-days.
- (f) Please explain why the entire ADC is not the same service standard.
- (g) Are there any other instances in the country of this division of an ADC for 2- vs. 3-day delivery standard?
- (h) If so, please provide the listing of facilities involved and the reasons for not being able to make the entire ADC the same.
- (i) Please provide a listing of the projected drive times from both Midland and El Paso to the ADCs at Albuquerque, Tulsa, Oklahoma City, San Antonio, North Texas, Fort Worth, North Houston, and Phoenix.
- (j) Please explain why Midland is able to reach those ADCs in 2-days that its parent P&DC El Paso is not able to reach in 2-days.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

DBP/USPS-89 (continued):

- (k) Please explain why the service standard from the Parent P&DC El Paso to the Outlier facility Midland is three days and two days in the reverse direction [as opposed to overnight service].
- (l) Provide a listing of the data for each of the 17 Outlier facilities which lists the following information:
 - (a) Outlier facility
 - (2) Parent P&DC
 - (3) ADCs within the 2-day delivery standard of the Outlier facility
 - (4) Projected drive time to each of these ADCs
 - (5) ADCs within the 2-day delivery standard of the Parent P&DC
 - (6) Projected drive time to each of these ADCs
 - (7) An explanation of any instances where the 2-day delivery standard for the Outlier facility is better than that of its Parent P&DC
 - (8) An explanation of any instances where there is not overnight service between the Parent P&DC and the Outlier facility.

RESPONSE:

- (a) That cannot be confirmed. While Midland does dispatch its own overnight mail, they also dispatch 2-Day mail to Dallas, Ft. Worth, Lubbock, Abilene and Roswell NM, in addition to El Paso. While they do route some 3-Day through El Paso, they also send mail through Dallas, Ft. Worth and their respective AMC.
- (b-e) Confirmed.
- (f) The standards within that ADC are the same because as an official Outlier, as previously explained in the heading of USPS LR C2001-3-3, file DBP-37.xls, and in our response to DBP/USPS-11(b), the Service Standards for Midland, TX, and the other 16 Outlier offices, were excluded from being changed by the 2 & 3-Day Model. Therefore, as stated in the

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

Response to DBP/USPS-89 (continued):

aforementioned references, the Service Standards to ADC North Houston were split between 2-Day and 3-Day prior to the FY-00/01 changes, and they, consequently, still remain that way today.

As indicated in one of the e-mail messages in USPS LR C2001-3/7, filed in response to DBP/USPS-25 (b), the Postal Service's intention, as announced to its Area offices, was to make some minor "clean-up" changes to the Standards for the 17 Outlier offices on September 8, 2001 (the start of PQ 1-02), which would have made all the Destination ADCs homogeneous so that they would have the same Service Standard from the Outliers. However, that planned action has been indefinitely postponed while Docket No. C2001-3 continues.

- (g) There are no instances of mixed 2-Day & 3-Day standards within the same ADC for any of the Origin ZIPs that were changed by the Service Standard changes implemented during FY-00/01, the subject of this proceeding. The 2 & 3-Day Model produced only homogeneous standards within an ADC. However, the 17 Originating Outlier Exceptions from the Model, such as Midland TX, have the same standards as before the changes at issue in this proceeding, which may or may not include split standards within some ADCs.

- (h) Please see the response to subpart (g).

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

Response to DBP/USPS-89 (continued):

- (i) Midland is not an Originating Processing & Distribution Center, it is a P&D Facility which would merge mail into a P&DC (either El Paso TX or Fort Worth TX). For this reason, the model does not identify drive times from Midland to the ADCs mentioned. The drive times from El Paso are as follows:
- Albuquerque-4.6
 - Tulsa-19.1
 - Oklahoma City-17.4
 - San Antonio-12.0
 - North Texas-13.4
 - Fort Worth-13.0
 - North Houston-15.7
 - Phoenix-7.6
- (j) Please see the response to DBP/USPS-89(g) as to why the standards for Midland did not change. If the planned Service standard adjustments to the 17 Outliers (which were intended for this past September) had not been deferred, Midland would only be going to some sub-set of the El Paso standards. It is likely that, under the current standards, Midland will *not* be able to reach all the listed ADCs, in a consistent fashion, within 2-Days.
- (k) El Paso is 3-Days to Midland because Midland, as a Destination, falls under the Fort Worth TX Area Distribution Center, not El Paso. The drive time from El Paso to the Fort Worth TX ADC, as noted in (i), above, is 13.0 hours, therefore, it is 3-Days. Midland, as previously discussed, is

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

Response to DBP/USPS-89 (continued):

one of the 17 Outliers and its Service Standard of 2-Days to El Paso did not change from the pre-existing standard.

- (l) (1 and 2) This was provided as part of USPS LR C2001-3/1, file OCA-12B-2.
- (3) The 2-Day standards for all Outlier offices are displayed in USPS-LR-C2001-3/4, which was provided in response to DBP/USPS-54(a).
- (4) All Outliers are Originating P&DF or CSF offices which are subordinate to P&DCs and, therefore, the 2 & 3-Day Model does not project their drive time directly to ADCs.
- (5) The 2-Day ADCs resulting from the 2 & 3-Day Model for the Parent P&DC of El Paso are displayed as part of USPS-LR-C2001-3/4, which was provided in response to DBP/USPS-54(a).
- (6) The drive time from El Paso TX to every Destination ADC was provided as part of USPS-LR-C2001-3/1, file OCA-12B-1.xls
- (7) Please see the responses to DBP/USPS-89(f), (g) and (j).
- (8) Overnight Service was not impacted by the 2 & 3-Day Realignment Model or the issues i this docket. However, a Parent P&DC is merely a larger facility through which the Outlier (smaller) facility would route its mail in order to

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

Response to DBP/USPS-89 (continued):

connect to transportation. There is no obligation or historical precedent that there be any type of Overnight Service between these facilities. In order to help clarify what is obviously a misunderstanding regarding what an Outlier office is (a remotely located facility that is fairly far from the Parent P&DC and unable to connect to 2-Day transportation), the Postal Service provides the following list of distances between the Outlier and the Parent P&DC:

Outlier	Parent P&DC	Mileage
KALISPELL MT 59901	BILLINGS MT 59101	465
ALLIANCE NE 69301	OMAHA NE 68108	452
AMARILLO TX 79120	FORT WORTH TX 76161	355
WORLAND WY 82401	CHEYENNE WY 82009	347
RAPID CITY SD 57701	SIOUX FALLS SD 57117	345
MISSOULA MT 59801	BILLINGS MT 59101	345
VALENTINE NE 69201	OMAHA NE 68108	329
LUBBOCK TX 79402	FORT WORTH TX 76161	323
DURANGO CO 81301	COLORADO SPRINGS CO 80910	320
MOBRIDGE SD 57601	SIOUX FALLS SD 57117	306
MINOT ND 58701	FARGO ND 58102	304
MIDLAND TX 79711	EL PASO TX 79910	301
MCCOOK NE 69001	OMAHA NE 68108	286
NORTH PLATTE NE 69101	OMAHA NE 68108	280
CHILDRESS TX 79201	FORT WORTH TX 76161	225
BISMARCK ND 58504	FARGO ND 58102	198
SAVANNAH GA 31402	MACON GA 31213	168

These distances should make clear why the service is not always overnight, and, in conjunction with the facility CTs, why they are designated as Outliers.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

DBP/USPS-90

Please refer to your response to DBP/USPS-55 and the associated Library Reference USPS LR C2001-3/3.

- (a) Please confirm, or explain if you are unable to do so, that of the 127 exceptions to the use of 12.049 hours drive time as the dividing time between 2-day and 3-day service standards, 124 or 97.6% represent those instances where a drive time of 8.1 to 12.0 hours has resulted in 3-day delivery rather than 2-day delivery while only 3 or 2.4% represent those instances where a drive time of 12.1 to 12.2 hours has been upgraded to 2-day delivery from 3-day delivery.
- (b) Please provide an explanation of the reasons and rationale for each of the 127 exceptions and why each of them represents provision of adequate mail service to users in that area.

RESPONSE:

- (a) Confirmed.
- (b) The reasons for granting the temporary exceptions were already provided in response to DFC/USPS-3. Additionally, it should be observed that in three instances, service was upgraded and in 123 instances, the service standard stayed exactly as it had been since the early 1990s -- 3-Day. Therefore, there was no degradation to the traditional service the customers had been expecting prior to the 2 & 3-Day Model. Further, these were temporary exceptions. The Postal Service expect the 124 non-upgraded pairs to be upgraded at some time in the future.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DAVID POPKIN

DBP/USPS-91

Please refer to your response to subpart a of DBP/USPS-51 through 53. The responses to DBP/USPS-52 and 53 refer to DBP/USPS-51. Please explain and discuss any plans that the Postal Service has for dealing with and reducing the “room for improvement.”

- (a) Provide the response for dealing with the “basic level” of “room for improvement” for overnight mail.
- (b) Provide the response for dealing with the “twice as much level” of “room for improvement” for 2-day delivery mail.
- (c) Provide the response for dealing with the “2.5 times as much level” of “room for improvement” for 3-day delivery mail.

RESPONSE:

- (a-c) The Postal Service’s attention is presently focused on the unforeseen national operational and transportation challenges currently being experienced as a result of the events of September 11, 2001, and the more recent use of the mail to commit acts of biological terrorism. Beyond those emergencies, when the postal landscape stabilizes, the Postal Service will assess where it is service is in relation to applicable standards and consider appropriate operational responses.

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 all parties of record in this proceeding.

Michael T. Tidwell

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2998/ FAX: -5402
November 26, 2001
mtidwell@email.usps.gov