

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

Complaint on First-Class Mail
Service Standards

Docket No. C2001-3

RESPONSES OF CHARLES GANNON
ON BEHALF OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DOUGLAS CARLSON
(DFC/USPS-GAN-57-59)

The United States Postal Service hereby files the responses of Charles Gannon to the following interrogatories of Douglas Carlson: DFC/USPS-GAN-57- 59, filed on January 22, 2002.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

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March 15, 2002

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.

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DFC/USPS-GAN-57.

Please refer to the responses to DFC/USPS-GAN-14, 39, and 54.

- (a) Notwithstanding the reasons that you have explained already for not presenting senior management with the option of using dedicated air transportation to maintain some two-day service standards instead of changing these service standards to three days, do you agree that your team could, feasibly or conceivably, have presented senior management with the option of using dedicated air transportation to maintain some two-day service standards instead of changing these service standards to three days? If your answer is not an unqualified yes, please explain.

- (b) Please identify the person at the highest level of management who is responsible for the result that senior management was not presented with the option of using dedicated air transportation to maintain some two-day service standards instead of changing these service standards to three days. In your response, please include the person's title. If more than one person is responsible for this result, please provide the name and title of each person.

RESPONSE:

- (a) Putting aside whether it would have been feasible, it is conceivable that the Service Standards Team in 1999-2000 could have presented senior management with the option of using some dedicated air transportation as an alternative to some surface transportation to move some First-Class Mail between some locations. While associated costs were not a focus of the 2 & 3-Day Realignment effort, members of the Team were not unaware that dedicated air transportation costs were approximately twice as expensive as commercial air transportation costs. See the response to DFC/USPS-GAN-14. The fact that no proposal to obtain additional dedicated air service was considered for recommendation to senior management probably reflects the fact that like-minded Team members considered that recommending

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RESPONSE TO DFC/USPS-GAN-57 (continued):

transportation methods that disproportionately drove up costs might have little chance of subsequent approval by senior management.

- (b) As has been explained previously, dedicated air was not considered by the Service Standards Team or recommended to senior management. Since the option was not considered, and therefore, not rejected by the Team, it is impossible to say that any individual or individuals on the Team are responsible for the option not being presented to senior management.

Dedicated air was not pursued as an option. No one prevented it from being pursued. As indicated in the November 20, 2001, response to DFC/USPS-CMG-1, the use of dedicated air was subsequently discussed as an option in early September 2001; however, pursuit of that option was put on hold indefinitely, when it became necessary for the Postal Service to focus on reconfiguring its transportation arrangements in the wake of the events of September 11th.

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DFC/USPS-GAN-58

Please refer to your response to DFC/USPS-55.

- (a) Please confirm that the San Francisco P&DC was responsible for processing incoming First-Class Mail labeled to ADC Sierra CA and ADC Peninsula CA during the entire calendar years 1999, 2000, and 2001. If you do not confirm, please explain.
- (b) Please confirm that the Los Angeles P&DC was responsible for processing incoming First-Class Mail labeled to ADC Twin Valley CA and ADC Sequoia CA during the entire calendar years 1999, 2000, and 2001. If you do not confirm, please explain.
- (c) Please confirm that the Los Angeles P&DC is responsible for processing incoming First-Class Mail labeled to ADC Los Angeles CA.
- (d) Please confirm that First-Class Mail originating in Reno and labeled to ADC Los Angeles CA arrives in the P&DC building that houses the destination SCF sooner than First-Class Mail originating in Reno and labeled to ADC Twin Valley CA arrives in the P&DC building that houses the destination SCF. If you do not confirm, please explain.
- (e) Please explain the route and method used to transport First-Class Mail from the Reno P&DC to ADC Los Angeles CA, ADC Twin Valley CA, and ADC Sequoia CA. In your response, please explain whether mail destined to two or more of these ADC's likely travels on the same truck or airplane.
- (f) Please explain the route and method used to transport First-Class Mail from the San Diego P&DC to ADC Sierra CA and ADC Peninsula CA. In your response, please explain whether mail destined to both ADC's likely travels on the same truck or airplane.
- (g) Please discuss the extent to which the San Diego P&DC likely labels First-Class Mail destined to SCF's in ADC Sierra CA and ADC Peninsula CA to the SCF level, not the ADC level. For example, would mail destined to SCF Sacramento CA be labeled to SCF Sacramento CA, not ADC Sierra CA? Similarly, would mail destined to SCF North Bay CA be labeled to SCF North Bay CA, not ADC Peninsula CA?
- (h) Please confirm that SCF Oakland CA is located in ADC Sierra CA, ADC Sierra CA mail is targeted for San Jose in the service-standards model, and ADC Peninsula CA mail is targeted for Oakland in the service-standards model. If you do not confirm, please explain.

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RESPONSE to DFC/USPS-GAN-58:

- (a-c,h) Confirmed.
- (d) First-Class Mail originating in Reno for ADC Twin Valley is flown on flight AA-244. Flight AA-244 leaves Reno at 06:55 and arrives at Los Angeles Airport at 08:10 day 1. First-Class mail originating in Reno for ADC Los Angeles is trucked to the destination via HCR 980BE trip 406, which leaves Reno, Day 1, at 06:00 and arrives at Los Angeles at 17:40.
- (e) Currently, ADC Twin Valley is dispatched from Reno to Los Angeles CA via flight AA-244. It leaves Reno at 06:55 and arrives at LAX at 08:10. ADC Sequoia is dispatched from Reno on HCR 980BE Trip 406. This trip leaves Reno at 06:00 and arrives at Los Angeles at 17:40. ADC Los Angeles is also dispatched on the same trip as ADC Sequoia, 980BE Trip 406. It also arrives at Los Angeles at 17:40.
- (f) The San Diego P&DC uses direct truck transportation to the following SCFs within the Peninsula and Sierra ADC ranges:
- (1) SCF San Francisco
 - (2) SCF Oakland
 - (3) SCF San Jose
 - (4) SCF Sacramento

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RESPONSE to DFC/USPS-GAN-58 (continued):

San Diego P&DC reaches the remaining ADC Peninsula & ADC Sierra destination SCFs through a Hub located in Van Nuys. Trucks transporting mail from the San Diego P&DC to the Hub carry multiple SCF destinations.

- (g) At a minimum, Pacific Area Plants sort Originating First-Class mails to the SCF level for all Pacific Area SCF destinations. Consequently, the labeling of Intra-Pacific Area First-Class Mail is to the SCF level, not the ADC level.

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DFC/USPS-GAN-59.

Please refer to USPS-LR-C2001-3/1, file OCA-12B-2. Please identify all instances nationwide where the column labeled "5-Digit ADC Location" does not provide the five-digit ZIP Code of the facility that actually processes incoming mail labeled to that ADC.

RESPONSE:

It is believed that the 4 pseudo-ADCs (ADC Sierra CA, ADC Peninsula CA, ADC Sequoia CA and ADC Twin Valley CA), previously identified in the response to DFC/USPS-GAN-40 (b), are the only instances nationwide wherein the "5-Digit ADC Location" on the GOEZINTA list does not correspond with the ADC location.