

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

EVOLUTIONARY NETWORK DEVELOPMENT
SERVICE CHANGES, 2006

Docket No. N2006-1

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS
TO OCA INTERROGATORIES OCA/USPS-T1-17-18
REDIRECTED FROM WITNESS SHAH
(April 7, 2006)

The United States Postal Service hereby submits the responses of witness Williams to the following interrogatories of the Office of the Consumer Advocate, filed on March 21, 2006: OCA/USPS-T1-17-18. These interrogatories have been redirected from witness Shah.

The interrogatories are stated verbatim and followed by the responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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April 7, 2006

**RESPONSE OF WITNESS WILLIAMS TO INTERROGATORY
OF THE OFFICE OF THE CONSUMER ADVOCATE
REDIRECTED FROM WITNESS SHAH**

OCA/USPS-T1-17

Please refer to the response to interrogatory DBP/USPS-28. The response states: “[I]t is expected that the domestic (excluding military mail) service standards for Periodicals will either be equal to, or slower than, the service standards

for First-Class Mail.” The implication of this statement is that, for many ZIP Code pairs, Periodicals Mail may have the same service standards as First Class Mail.

- a. In light of the response, please state why the worksheets provided in USPS Library Reference N2006-1/5 generally do not state whether there will be degradation in Periodicals Mail service standards.
- b. For each of the facilities referenced in LR-2006-1/5, both losing and receiving operations, were the service standards for Periodicals Mail reviewed to determine if service between any ZIP Code pairs would be degraded?
 - i. If so, please provide the results of that review; and please provide the ZIP Code pair changes in Periodicals Mail service standards.
 - ii. If not, please explain why there was no review of the impact on Periodicals Mail service standards.

RESPONSE

(a-b) None of the AMP decisions reflected in Library Reference N2006-1/5 involved any First-Class Mail downgrades. Accordingly, the decisions generated no Periodicals downgrades to analyze or report.

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OCA/USPS-T1-18

For each of the 10 facilities transferring some mail processing operations included in Library Reference USPS-LR-N2006-1/5, please state whether the facility included a Business Mail Entry Unit (BMEU) prior to the consolidation.

- a. Will any BMEUs be closed as a result of the 10 AMP consolidations?
- b. Following consolidation, of those BMEUs remaining open in a facility that is transferring some mail processing operations, will mailers be permitted to tender all classes of mail at each of those BMEUs, including First Class and Priority Mail? If not, please explain why not?
- d. For any BMEUs that will be closed as a result of the 10 consolidations, please confirm that mailers located near the closing facility may have to transport their mail over greater distances to the gaining facility.
 - i. If you do confirm, please explain why the AMP procedure does not specifically include an evaluation of this impact?
 - ii. If you do not confirm, please fully explain.
 - iii. What notification is provided to mailers about the closing of any BMEUs as a result of consolidations? Please provide an example of a notification.
How much advance notice is provided to mailers prior to the closing
 - iv. of any BMEUs as a result of consolidations?

RESPONSE

- (a) No such closures are planned for any of the 10 in conjunction with these consolidations.
- (b) Yes.
- (d)(i-ii) N/A. See the response to subpart (a).
 - (iii) See the attachment to this response.
 - (iv) When an AMP study is announced, BMEU customers are notified through the Worksheet 3 notification process of the possibility that the study could lead to a decision affecting the BMEU. Studies commonly

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RESPONSE to OCA/USPS-T1-18 continued

take months to complete before being sent to the Area office and then to Headquarters for review. After a final decision is made and its results transmitted to postal employee union and association representatives, BMEU customers are notified of the results, including any nature and expected timing of any planned BMEU changes. To the extent that customer comment is solicited before a final decision is made, BMEU customers have an opportunity to respond.

MARINA AMP uspsnewsbreak

March 14, 2005

"We must treat everyone with dignity and respect every day." – Postmaster James A. Smith

New Airport BMEU opens Thursday; Marina BMEU closes Friday

The new Business Mail Entry Unit (BMEU) at Airport Post Office will host an open house on Thursday, March 17, from 11 a.m. to 2 p.m., to acquaint customers with operations at the newly refurbished unit. The BMEU at the Marina Processing & Distribution Center (P&DC) will close on the following day.

In the meantime, Acting Marina Plant Manager Lee Jordan said that, except for minor glitches, equipment moves and mail transfers between the Marina and Los Angeles P&DCs are on schedule. The shift of originating mail in the 902-904 ZIP Codes from the Marina to the LA plant occurred as scheduled, between Feb. 26 and March 5. During the same interval two Advanced Facer-Canceller Systems and three Output Sub-System Kits were moved.

Mail for ZIP Code 90230 (Culver City) was decentralized during the week of March 1, and mail for ZIP Code 90291 (Venice) was decentralized the week of March 6.

The following equipment moves from the Marina P&DC to LA P&DC took place on Saturday, March 12:

- One Automated Flat Tray Lidder (AFTL)
- One Model G canceling machine (older model facer-canceller also referred to as a flyer)
- One FSM 100 flat sorter machine

One Triple A tying machine was relocated from the Marina to the International

(more)

Service Center also on March 12.

Jordan said that the issuance of employee assignment information is on schedule and would be available soon.

The acting plant manager said that in the midst of mail and equipment moves and more than their fair share of uncertainty, Marina employees continue to have upbeat attitudes and complete their assignments expeditiously. “And we celebrate our success at every opportunity,” he said.

Jordan referred to a calendar of events which highlights special days at the Marina P&DC. As recently as Thursday, employees had a cake and punch party to celebrate Marina’s Program Evaluation Guide (PEG) score of 4.57. “More than ever, our employees need to be recognized for their extraordinary efforts,” Jordan said.

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January 31, 2005

The Postal Service, along with many businesses and corporations across the country, is experiencing the effects of a changing economy. Our mail volumes are fluctuating, and expenses are increasing. In line with the Postal Transformation Plan which requires postal managers to aggressively manage costs, a decision has been made to close the Marina Mail Processing & Distribution Center (Inglewood SCF). On January 14, 2005, it was announced that the Marina facility will be closing in early June. Our District Manager Bill Almaraz explained "by consolidating processing and administrative operations, we can improve efficiency and reduce costs".

The following changes will occur:

- Bulk Mail accounts will be transferred to the Los Angeles Airport Station, 9029 Airport Blvd., Los Angeles, CA 90009.
- Caller Service will be moved to Inglewood's Hillcrest Station located at 300 E Hillcrest Blvd., Inglewood, CA 90301.
- Mail processing functions will be moved to Los Angeles General Mail Facility at 7001 S Central Ave., Los Angeles, CA 90052, with the exception of Torrance (905) mail, which will go to Long Beach Processing and Distribution Center on 2300 Redondo Ave., Long Beach, CA 90809

Retail services will remain at the Inglewood SCF site.

The Los Angeles Airport Station Bulk Mail Entry Unit (BMEU) has been selected as the primary mailing location for all Marina permits. This location is less than 5 miles from the existing Marina P&DC. There are 3 Satellite BMEUs listed on the attachment which provide other options for permit holders who retain their accounts at Airport BMEU. If you do not wish to transfer your bulk mail account(s) to the Airport BMEU, you may opt to transfer to a neighboring city. To do so, please complete the attached survey providing us with your preference for a new mailing location. Please submit your survey as directed on the attachment no later than February 14, 2005.

Caller Service (PO Boxes) and Business Reply (BRM) accounts will remain the same for customers who choose to pick up their mail at Hillcrest Station. Please note the mail will not be available as early as when it was picked up at the Marina. Should you decide to change your Caller Service/BRM to another location, it will be necessary to submit new applications and obtain new box numbers. Please contact your Business Service Network Representative and ask for a Caller Service Change Kit.

Specifics dates for the transition of services have not yet been finalized. Our recommendation is that you begin to consider your options and contact your Business Service Network Representative for assistance. If you are not sure who your representative is call our general number at 323-586-1843.

Sincerely,

Jacqui Cotte'
Mgr, Business Service Network Operations.