

Before the
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

Evolutionary Network Development)
Service Changes, 2006)

Docket No. N2006-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
(OCA/USPS-36-43)
May 17, 2006

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-1-5, dated March 3, 2006, are hereby incorporated by reference.

Respectfully submitted,

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Officer of the Commission

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OCA/USPS-36. The purpose of this interrogatory is to develop additional understanding of USPS Library Reference N2006-1/9, Evolutionary Network Development Technical Conference Presentation Slides, in the context of the GAO report “U.S. Postal Service: The Service’s Strategy for Realigning its Mail Processing Infrastructure lacks Clarity, Criteria, and Accountability,” dated April 2005. Slides 11 through 21 in USPS-LR-N2006-1/9, Evolutionary Network Development Technical Conference Presentation Slides, present the optimization and simulation approaches to achieve feasible and lowest cost solution. The output of the network restructuring will be an optimized network of mail facilities. In general, functions will have been consolidated in a limited number of relatively large facilities.

- a. Figure 10 on page 30 of the GAO report leads to the conclusion that P&DC plant productivity varies inversely with size. Please reconcile this concept with the possible implementation of potential plant activity consolidation decisions which could be derived from the optimization and simulation models.
- b. Is individual plant productivity an input to the models, an output of the models, or both? Please explain.

OCA/USPS-37. Please confirm that the consolidation of existing BMCs, HASPS and other facilities into RDCs will be nationwide in scope.

OCA/USPS-38. Please refer to the response to APWU/USPS-T1-21 which discusses the future RDC conversion process and indicates that, “An RDC planning concept document which blends the principles of AMP with facility planning concepts is being developed.” Please confirm that the consolidation of major facilities such as BMCs and HASPs and other facilities into RDCs will utilize an RDC planning document that will effectuate changes in the nature of postal services. If you do not confirm, please explain.

OCA/USPS-39. If the consolidation of major facilities such as BMCs and HASPs and other facilities using the RDC planning document will effectuate a change in the nature of postal services,

- a. Will the Postal Service submit the RDC planning document for review prior to consolidating BMCs and HASPs and other facilities into RDCs prior to the effective date of the proposal pursuant to §3661 of the Postal Reorganization Act?
- b. Please explain when and how the Postal Service will provide the Postal Rate Commission with the RDC planning document for its consideration pursuant to §3661 of the Postal Reorganization Act.

OCA/USPS-40. If the RDC planning document under development is part of the END proposal that is the subject of this proceeding, please explain how the Commission can conclude this proceeding and render advice to the Postal Service on the END proposal without the entire proposal being before the

Commission, including the RDC planning documents and the RDC Activation Communication Plan?

OCA/USPS-41. What is the point in time that is the end point of the END proposal about which the Postal Service is seeking advice from the Commission?

OCA/USPS-42. Please confirm that in moving the locations of various outgoing mail processing facilities and thereby the location for drop shipments, it is possible that the zone boundaries are changed for certain 3-digit ZIP-Code pairs, thereby causing a rate impact on zoned mail.

OCA/USPS-43. Please indicate whether any of the AMP consolidations listed in LR-N2006-1/5 or LR-N2006-1/6 impacted the zone boundaries for any 3-digit ZIP-Code pairs. If so, how many 3-digit ZIP-Code pairs were impacted? Please provide a listing of the 3-digit ZIP Code pairs affected.