

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

EVOLUTIONARY NETWORK DEVELOPMENT  
SERVICE CHANGES, 2006

Docket No. N2006-1

REVISED RESPONSES OF  
UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO OCA INTERROGATORIES OCA/USPS-T2-19 THROUGH 21  
(July 7, 2006) [ERRATA]

The United States Postal Service hereby files corrected responses of witness Williams to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T2-19 through 21. The captions on each page of the original July 3<sup>rd</sup> responses to the interrogatories mistakenly identified the responses as being provided by the Postal Service. The captions have been corrected on the revised responses filed today to reflect that the responses are being provided by witness Williams. There are no changes in the substance of the responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS TO  
INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE  
Revised: July 7, 2006**

**OCA/USPS-T2-19.** Please refer to your response to OCA/USPS-T2-4(c) which stated, "An analysis sheet was developed to evaluate space made available from operations consolidation after the evaluation of the 10 facilities included in USPS Library Reference N2006-1/5 were completed."

- a. Please provide a copy of that analysis sheet.
- b. Has that analysis sheet been used for any AMP studies? If so, please list the AMP studies where it has been used.
- c. If the analysis sheet has been used, please provide a copy of one of the completed analysis sheets, if one has not already been submitted in this proceeding.

**RESPONSE**

- a) See the attached.
- b) Yes. It is being used for the AMP feasibility studies that are currently in progress.
- c) The space analysis form was used with the Newark NJ AMP decision. A copy of that decision is being filed as USPS Library Reference N2006-1/14.

**FACILITY WORKFLOOR EVALUATION (CONSOLIDATED FACILITY)**

(1) Name, Address, State, ZIP Code:	(2) Facility Type:	(3) Facility (OWN/LEASE)	(4) Annual Lease Cost	(5) Lease Options/Terms	(6) Lease Expiration Date
Greensburg PO 1250 Shady Grove Road Darnestown, MD 20848	PO	Own	\$ 850,000	5 yr/Early termination Penalty	11/2/2005
(7) Present Facility SF:	(8) Facility SF Gain as a Result of AMP	(9) Current # Carriers: (Rural, City)	(10) Accommodate Additional Carrier Routes as a Result of Gained SF (List 5-Digits)	(11) Number of Carriers Relocated to the AMPed Facility as a Result of Gained SF (Describe Plan below)	(12) Project Savings
2,788 SF	600 SF	7 rural, 20 city	20814, 20855	15 city	\$ 550,000
(13) Project Cost	(14) Net Savings	(15) Reviewed by: (Name and Title)		(16) Date:	
\$ -	\$ 550,000.00				

**(17) Describe Plans to Effectively use the gained SF at the Consolidated Facility**

**(18) Comments**

## AMP - FACILITY WORKFLOOR EVALUATION FORM (CONSOLIDATED FACILITY) - INSTRUCTIONS

- (1) Facility Name  
Address  
City, State, ZIP Code
- (2) Post Office, station, branch, Postal Service retail unit, P&DC, P&DF, carrier annex, detached Post Office box unit, delivery distribution centers, delivery distribution units, or other customer service facility type
- (3) USPS owned or leased facility. If leased, fillout (4), (5), and (6)
- (4) If facility is leased, what is the total annual lease cost?  
What are the lease terms? Ex: Lease with a 10-year base term that provides for an annual rent of \$145,000. The lease also includes two 5-year options.
- (5) Lease expiration date
- (6) Total Facility Square Footage
- (8) After volume/machinery is relocated (AMPed), what is the SF gain?
- (9) List separately total number of current rural and city carriers
- (10) List individual 5-digit zones to be accommodated in the facility as a result of gained SF
- (11) List separately addition of number of proposed rural and city carriers
- (12) Projected savings by relocating carriers, closing annexes, terminating leases, etc..
- (13) Any Cost incurred by performing item (12)
- (14) Automatically calculated
- (15) Name and title of person verifying the accuracy of the form
- (16) Date when form was verified
- (17) Detailed description of the plan to effectively utilize the available space
- (18) Additional comments

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**OCA/USPS-T2-20.** Please refer to your response to OCA/USPS-T2-5 in which you expressed agreement with the OIG Report of December 2005 voicing concern that “Without clear guidance, the ability to implement AMPs with minimal disruption is affected and may cause inconsistencies in using the process.”

- a. Do you believe that in order to avoid inconsistencies in the AMP process there should be decision rules that would provide guidance as to when a proposed consolidation should be rejected due to adverse impact on the service standards for 3-digit ZIP Codes? If not, please explain the reasons for your answer.
- b. Do you believe that in order to avoid inconsistencies in the AMP process there should be decision rules that would provide guidance as to when a proposed consolidation should be rejected due to the volume of mail for which service standards for 3-digit ZIP Codes would be downgraded? If not, please explain the reasons for your answer.
- c. Do you believe that in order to avoid inconsistencies in the AMP process there should be decision rules that would provide guidance when a proposed consolidation should be rejected due to a certain level of adverse impact on collection box pick-up times in the area of the losing facility? If not, please explain the reasons for your answer.
- d. Do you believe that in order to avoid inconsistencies in the AMP process there should be decision rules that would provide guidance when a proposed consolidation should be rejected because the first year savings do not meet a certain level of savings or save a certain percentage of operations costs?
- e. Are there any decision rules, such as those cited in part a-d above, or others which are applied by the Postal Service to the AMP studies?
- f. Do you know of any decision rules applied by the Postal Service during the AMP process that, if applied, would be sufficient to reject the proposal. If so, please state the decision rules and/or provide a reference to those decision rules in Postal Service documents.

**RESPONSE**

- a-f) The AMP Guidelines do not set specific criteria regarding the magnitude of changes in delivery service standards, collection box impacts, or savings and cost expectations per facility. For purposes of END, each AMP proposal is evaluated on its own merits, based on the feasibility study that is conducted and the potential future network roles of the facilities involved. Although the facilities subject to AMP review have many common characteristics, each has

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**RESPONSE to OCA/USPS-20 (continued):**

characteristics and relationships to other facilities in the network that make each facility different and each decision unique. Even if the Postal Service established a set of objective criteria for determining whether to approve all AMP proposals, there is any number of variables that might justify exceptions to such decision rules. As indicated in response to OCA/USPS-T2-5, the Postal Service seeks to ensure consistency in the use of the AMP process. Each proposal is scrutinized by the same group at headquarters and the final decision is made by the same Senior Vice President. It is important that the AMP guidelines study process be adhered to consistently throughout the system and that the conduct of individual AMP studies not be influenced by whether they might achieve certain objective threshold targets.

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**OCA/USPS-T2-21.** Please refer to your response to OCA/USPS-T2-9 indicating “For the six AMPs approved in 2004, there were ten (10) 3-digit upgrades and sixteen (16) 3-digit pair downgrades.”

- a. Please confirm that the six AMPs approved in 2004 referred to in your response are contained in LR-L-N2006-1/11. If not, please explain.
- b. Please list the upgrades and downgrades for the six AMPs approved in 2004, by ZIP Code, service commitment before and after consolidation, and the volume of mail involved with each change in service commitment.

**RESPONSE**

- a) Confirmed.
- b) Worksheet 7 of each of the six AMPs in USPS LR-N006-1/11 provides the service standard impacts, if any, by 3-digit pair and provides an aggregate volume per AMP.