

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

EVOLUTIONARY NETWORK DEVELOPMENT
SERVICE CHANGES, 2006

Docket No. N2006-1

REVISED RESPONSE OF
UNITED STATES POSTAL SERVICE WITNESS WILLIAMS
TO APWU INTERROGATORY (APWU/USPS-T2-100)
(July 10, 2006) [ERRATA]

The United States Postal Service hereby submits the revised response of witness Williams to the following interrogatory of the American Postal Workers Union: APWU/USPS-T2-100. This revised response supersedes the original response that was filed on July 7th. The interrogatory is stated verbatim and followed by the revised response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS
TO INTERROGATORY OF THE AMERICAN POSTAL WORKERS UNION
Revised: July 10, 2006**

APWU/USPS-T2-100 Please provide a copy of the notes that the Postal Service took during the town hall meetings on the Sioux City and Rockford AMPs. Please provide any list of action items resulting from those two town hall meetings.

RESPONSE

The commitment to conduct both of these meetings preceded the establishment of that Public Input Process. These meetings were not conducted as part of the subsequently developed Public Input Process reflected in USPS Library Reference N2006-1/16. They were specially arranged at the request of members of the U.S. House and Senate. No formal written summaries, such as those that would be recorded on forms reflected at pages 3 and 4 of that Library Reference have been preserved. However, I have located some notes taken by a postal employee present at the April 20th Sioux City meeting that attempt to summarize public comments offered in response to the Postal Service's presentation at that meeting. No written lists of "action items" have been developed or circulated as a result of either the Sioux City or Rockford the meetings.

Summary of Sioux City Customer Concerns

Citizen: Mail from South Sioux City is sent to Norfolk, NE and back. Why not stay in Sioux City? It would save on the overtime and gas.

Citizen: Confidence affects First Class. Sioux City post office has been wonderful until now. Mailed a tape to Penton on April 14 and missed the Friday dispatch by 8 minutes. Item then went to Sioux Falls on Saturday and addressee still has not received it. Mailed on Monday from Sioux City and received by Wednesday. Believed delay caused by going to Sioux Falls.

Citizen – How long will it take for mail to be delivered from Sioux City to Sioux City?

Citizen – Proud of Sioux City holding bureaucracy to the fire...enjoy what is happening to you.

Chamber of Commerce group Request full copy of study
Will sign confidentiality statement.

They are being denied information to do a separate study and analysis

Proven degradation of service with Saturday AMP.

Use an independent CPA to audit mail for 6 months to determine service.

Frustrated, expected meeting to discuss specific information and impact.

Will accept redacted information.

Need summary and substance of the study so able to respond to see if process can be conducted in a different manner.

Need time to analyze, do audit side-by-side.

Information received today is the same as 60 days ago

Gave example of a letter that took 4 days Sioux City to Sioux Falls.

There is going to be degradation.

Stop insults to union leadership.

Promised information and have not been forthcoming.

Union very effective and working with City.

Citizen – Study is just numbers and a simulation. Said had troubles getting information about certified mail. Unable to get phone answered at 4:25 p.m. at Sioux City post office. Called Sgt. Bluff post office and got answers

National Agent APWU (from Oklahoma) – Offended by the comments

Aware that at the national level there are 41 AMP locations

Results create a report that is 400 pages thick

Information provided to congressional leaders is only 20 pages

Gives results without allowing input in the decision process

1971 law mandates that USPS provide universal service even to rural areas where show a revenue loss

BPI model used in actual studies leads to different results

Too complex after brief review and see inconsistencies

Study revisions, release would not be final data.

Citizen – Economic savings with employees is incorrect, just transferring from one budget to another

Summary of Sioux City Customer Concerns

Citizen – Won't show them the change in collection times

Taxpayer, customer, employee – large stakeholder
USPS infrastructure provides economic opportunity to Sioux City
Would like to see family move back to Northwest Iowa

Member, Sioux City Council – Only held meeting because was forced to do so
Information was already shared with council 60 days ago
No guarantee for overnight service if citizens receive late payment/past due notices
should they send the bills to Doug Morrow?
Letter sent on 4/13 from Sioux City, 4/14 Sioux Falls, delivered on 4/17, citizens screwed
on Saturday drop off. This was a Thursday drop so it should have never gone to Sioux
Falls.
It will take 4.5 days to Des Moines
Wintertime is no guarantee of delivery
Service affects lives, medical lives
Have rebuilt Hwy 60 from Sheldon to Sioux City, was this included in the study?
Service is degraded now and in the future. Iowa is 5th in the nation should push to be 2nd.
Doug Morrow should give back his financial bonus he is receiving for this

Steve King rep. – Proposed summary for Sioux City process in Sioux City area need to
be kept at Sioux City Plant
Quoted letter (3/27) sent from King, Harkin and Grassley to Mr. Galligan about the USPS
not meeting their expectations

APWU member– Have considered other Plants like Huron, SD? they are modern like
Sioux City
Sioux City Plant was wired for equipment but never received it
Local postal politics – build up District office to stay alive?
Carriers are out after dark – with more processing and collection there will be
understaffing
Have not hired clerks or mail handlers, have hired 2 carriers
512-513 will be sent to Sioux Falls and no longer to Sioux City BMC – drop in Sioux City
and not returned to Sioux City to get rate, Bulk Mail discount is in Sioux City,

Bill Anderson, Grassley rep –
Summary show just shifting mail pieces
Total costs does not show employee relocation since there will be an option to stay as a
PTF
Productivity performance achievement target versus what is achieved – Sioux Falls
78.6%, Sioux City 68%, need to explain pieces per man hour and allied work hours

Citizen –Thank you for meeting
In a perfect world there would be overnight service
18 months to do review is too long to wait
No overnight service now – S. Sioux City to Norfolk = 2 days, S. Sioux City to Omaha =
10 days
Received survey about different services not about the mail.

Summary of Sioux City Customer Concerns

Citizen – Told success story of mailing letter from Sioux City to New York in 1995 and it took 2 days.

Beginning in January 2006, briefs are mailed on Friday to Estherville, Cherokee and not receive until Tuesday or Wednesday

Placed in collection box by 5:00 p.m. and all ok. If after 6:00 p.m., there is a delay.

Believed being sent to Sioux Falls for processing

Now driving to FedEx for delivery

Reverend, Church –

If the volume increases in Sioux Falls will their overtime increase? If so, just keep everything in Sioux City, it adds dollars to the collection plate.

Joel Rubin, Harkin rep from DC –

Explained about the amendment that has been added to legislative bill for all data to be public

Sioux City is groundbreaking

Disappointed with the information that was released on 3/27

Community should be fully informed

Citizen – Wants no degradation of service

Receives misdeliveries for house on corner

Asked if EXFC information is released to public

Citizen – Sends business packages to US and Canada

Don't move

Mail shouldn't show anything but Sioux City

Believed addressee would not open mail if it did not have a Sioux City postmark

Businessman –

In the last 3 months, sending mail on Saturdays has taken consistently one week

Before change (Saturday AMP to Sioux Falls), it took 2 days

Citizen – Meeting time is not conducive for the community and shows you don't care about the community.

Sioux Falls is less efficient than Sioux City.

Should not uproot 47 employees and move them to Sioux Falls.

Driven by Sioux Falls plant and it does not look bigger than Sioux City.

Concerned about costs for additional machines

Citizen – Will be losing safety net when transfer biohazard BDS to Sioux Falls

Citizen – Not in favor, degradation of service

Removing northwest Iowa from map with postmark to South Dakota

Publisher – Concerned with losing customers if there is a degradation of service, mail taking an extra day.

Currently sends 9500 pieces per week.

Wants USPS to provide zip codes and send a letter to 3 digit zips for study.

Summary of Sioux City Customer Concerns

Business Customer – Elderly and low income do not drive to post office to deposit mail, they want an Iowa postmark.

Have the 18 month reviews ever reversed an AMP decision?

Worried about service degradation.

Citizen – Upset with change, magician act.

Concerned about winter weather and how would have next day delivery if the interstate is closed.

People in Sioux City to a wonderful job.

National process is bottom line.

47 jobs would be moved to Sioux Falls or lose position to PTF and not be able to support family.

Changing facility to Sioux Falls leaves an empty building in Sioux City, lost jobs and an economic impact.

Representative, neighborhood organization–

Not enough information for educated comments

Without data can't refute study

Need pros and cons from study

Should publish study and make it available

Service change – Bulk SCF, current permit holders will have no change, what about future permit holders?

Will the public be included in the 2 reviews that will be completed in the first 18 months?

Why can't the letter carrier drop the letters in the slot for a Sioux City postmark?

Citizen – Does not receive medication overnight due to Saturday mail

Local APWU President – Sioux City Plant wired for equipment but never delivered

Knew it was the start of process to eliminate Sioux City and send mail to Sioux Falls

How many new hires has Sioux Falls had since October?