

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-T2-55
(July 11, 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-T2-55. The original response was filed on May 8, 2006. The revised response supersedes that response. The revisions correct a typographical error in the continuation header for the additional pages of the response, and deletes extraneous words from the first line of the response to subpart (c). There are no substantive changes in the response. The interrogatories are stated verbatim and followed by the responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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APWU/USPS-T2-55 To clarify your response to APWU/USPS-T2-6:

- a) Your response to (c) fails to provide a description of the impacts. Will the destinating mail be available at the same time it otherwise would have been available to be sorted? If not, by how much will the window have changed? Please describe any other changes that will take place.
- b) Your response to (e) fails to answer the final two questions in the section. Please provide an explanation as to where the employees tabulated on Worksheet 2 will work after this change takes place. Will it be the AMPC facility or will they be moved to other facilities?
- c) Your response to (h) does not provide an answer as how the number of hours needed to process the transferred mail is calculated. Please provide a complete explanation and indicate if this is a consistent method of calculating these hours whenever calculations for this worksheet are completed.
- d) Your response to (i) makes no sense. Please provide a complete explanation as to how these numbers are calculated. If necessary, please provide a worksheet showing the calculations for the Pasadena AMP.
- e) Your response to (l) is less than clear. Please explain "contract bid cost in dollars." Is it an average of current contract bids for similar routes, or the average of current national contract bids, or are the Transportation Savings/Cost data based on specific real costs calculated by new contract bids or contract solicitations for specific routes or are they calculated some other measure?
- f) While your response to (m) provides a helpful overview about the calculations it does not provide the requested description for each line, the inputs needed for the calculations, and how the maintenance manager calculates those costs. Please provide this information.

RESPONSE

- (a) The Pasadena destinating mail from the Pasadena origin area will be available to meet the AMPC facility operating plan Critical Entry Time and Clearance Time.
- (b) Clerk Impact: I am informed that, initially, local management advised the Area level of the APWU that a total of 58 full-time clerks, less any attrition, would be excessed from the Pasadena installation to the clerk craft at the site receiving the mail and to withhold jobs in other offices within 100 miles.

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A total of 16 full-time clerks were ultimately excessed. I am informed that the difference in the number was based on the following:

1. Attrition
2. Staffing/bid shortfalls in the Pasadena stations
3. A decision to move AADC processing to the Pasadena plant

Senior non-impacted clerks elected to go in lieu of the junior clerks identified to be excessed. 12 were placed in available withheld assignments in post offices that were closer to their residences and 4 went to the Santa Clarita (Van Nuys) P&DC, the principal receiving site for the mail.

Maintenance Impacts: Three maintenance staff were excessed, two Electronic Technicians and one maintenance support clerk. The maintenance craft employees went to withheld assignments at the Santa Clarita (Van Nuys) plant, which was the main receiving site for the mail.

Although two Mail Processing Equipment Mechanics were initially identified to be excessed from the Pasadena plant, the advent of one vacancy and a voluntary reassignment eliminated the need to take such action.

- (c) Annual TPH volumes by operation for operations, including the volume which will be moved, are listed in the workhour column for the AMPC facility. Workhour productivity for the AMPC facility is applied to the projected volume.
- (d) My response does make sense. 1840 is the number of workhours per year used for each position calculation. The annual cost indicates the cost for each position type (times the number of positions).

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- (e) The Transportation Savings/Cost data is based on specific real costs calculated by proposed new contract bids or contract solicitations for specific routes.
- (f) This worksheet evaluates the AMP plan's total annual associated cost not listed on any other worksheet. This form is primarily used in conjunction with new facilities, but may also be used to justify other costs when appropriate. This worksheet, however, must be completed for all AMPs. Management at the local level (in most cases, the maintenance manager) evaluates the impacts on maintenance support requirements cost when equipment is removed from the plant, and on the expected use on the equipment which remains. In the case of the Pasadena AMP, 11 pieces of processing equipment were removed.
- The manager determines the impact on maintenance routes, training, etc., that will no longer be required, then, using the USPS Financial Performance Report - FPR Line Report - as a reference to the history of specific line item expenses, quantifies the saving to the Worksheet 10 lines for the specific equipment types such as automated, mechanized, and other (material handling equipment). In addition, an estimate is made for saving on electricity requirements from less equipment and from the decrease in

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energy related to reduced operations using FPR line item historical data as
a reference.