

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

EVOLUTIONARY NETWORK DEVELOPMENT
SERVICE CHANGES, 2006

Docket No. N2006-1

REVISED RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-23)
(July 11, 2006) [ERRATA]

The United States Postal Service hereby submits its revised response to the following interrogatory of the Office of the Consumer Advocate: OCA/USPS-23. The original responses were filed on April 8, 2006. The revised responses correct typographical errors in the responses to subparts (b), (d) and (f). In addition, the format of the response has been improved. There are no substantive changes in the response. The revised response OCA/USPS-23 supersedes the original response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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July 11, 2006

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
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Revised: July 11, 2006**

OCA/USPS-23. On February 17, 2006, Wendy Brown of "The New Mexican," a Santa Fe, New Mexico newspaper, reported in an article (copy attached) that Mr. Paul Vogel, USPS Vice President for network-operations management in Washington, D.C., indicated during a conference call with reporters, on Thursday, February 16, that the Postal Service plans to test planned changes on Saturdays prior to consolidating facilities to insure that the changes work and mail is not delayed.

- a. Please confirm that the Postal Service tests changes prior to consolidating facilities to insure that the changes work and mail is not delayed. If you do not confirm, please explain.
- b. Has the Postal Service conducted Saturday testing for any of the 10 consolidations identified in USPS-LR-N2006-1/5?
- c. If your response to part b of this interrogatory is affirmative, please specifically identify each location where Saturday tests have been conducted.
- d. If your response to part b of this interrogatory is affirmative, please specifically identify each function that has been tested on Saturdays.
- e. If your response to part b of this interrogatory is other than affirmative, please explain for each of the locations why Saturday tests were not conducted.
- f. For each of the ten consolidations identified in USPS-LR-2006-1/5, did the tests indicate that any classes or sub-classes of mail may experience delivery delays? If so, please identify the classes and sub-classes, the locations that were identified, and describe the steps being taken to eliminate those delays.
- g. Please provide the anticipated schedule for performing Saturday tests in the future at the ten consolidations identified in USPS-LR-2006-1/5.

Postal Service to study U.S. mail facilities

By WENDY BROWN | The New Mexican
February 17, 2006

The U.S. Postal Service plans to study mail facilities throughout the country and might shut down some, partially because people are sending less first-class mail.

Paul Vogel, Postal Service vice president for network-operations management in Washington, D.C., briefed reporters about the studies during a conference call Thursday.

Vogel said he knew of no studies in New Mexico, although a media advisory sent to The New Mexican on Wednesday said a study is taking place in "your community."

The Postal Service's media-relations headquarters referred a call about the conflicting information to James Coultriss, Postal Service spokesman for the Southwest. Coultriss did not return a phone call requesting comment.

Likewise, Margaret Romero, Postal Service spokeswoman in Albuquerque, did not return a phone call requesting comment.

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OCA/USPS-23 (continued):

According to Vogel, the Postal Service plans to study 50 mail-sorting facilities this year to determine if they should be consolidated with other facilities. They are located all over the country, although Arkansas and Texas are the only states in the area with facilities on the list. One study is planned in Arkansas and five are planned in Texas. In New Mexico, where the Postal Service has come under fire recently for late deliveries and missing mail, all mail is sorted at one processing plant in Albuquerque.

Vogel said the number of pieces of first-class mail has declined 20 percent over the past few years, and that is one of the main reasons for the studies. The popularity of e-mail has decreased the amount of paper mail that people send.

Population shifts and technological advances have also contributed to the need to streamline the postal system, Vogel said.

While it used to take employees one hour to sort 500 pieces of mail by hand, the Postal Service's bar-coding system can sort 30,000 pieces of mail in an hour, Vogel said.

The process of studying facilities, calculating results and reassigning employees could take nearly a year, Vogel said. The studies themselves should take up to 90 days.

Some facilities might close, while others would expand to pick up the difference, Vogel said. The Postal Service expects to reassign employees rather than lay them off.

When the Postal Service does consolidate facilities, officials plan to test the changes on Saturdays first to make sure they work and mail isn't delayed, Vogel said.

The Postal Service plans to make sure the public is involved, Vogel said. "We really believe we're a servant of the American public," he said.

Contact Wendy Brown at 986-3072 or wbrown@sfnewmexican.com.

http://www.freewmexican.com/story_print.php?storyid=39600

RESPONSE

- a. Not confirmed. The report is not entirely accurate. Mr. Vogel's reference was to past implementation of weekend AMPs, now referred to as Saturday AMPs. In such instances, originating operations in the service area of Plant A are

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RESPONSE TO OCA/USPS-23 (continued):

consolidated on Saturdays only into Plant B. Mr. Vogel was attempting to make the general point that the Postal Service's experience with such AMPs gave him confidence that six-day consolidations would also prove to be operationally beneficial.

- b. Over the years, the Postal Service has conducted Saturday originating consolidations at a number of facilities, including the 10 referenced in the question. The objective was not to test the feasibility of later six-day consolidations, but to realize the benefits of a Saturday originating consolidation.
- c. See the response to subpart (b).
- d. There were no tests. See the response to subpart (a). Saturday originating processing operations were consolidated into adjacent facilities.
- e. N/A
- f. There were no tests. See the response to subpart (a). No evidence of service delays emerged.
- g. As indicated above, Saturday consolidations were already performed.