

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

EVOLUTIONARY NETWORK DEVELOPMENT
SERVICE CHANGES, 2006

Docket No. N2006-1

UNITED STATES POSTAL SERVICE NOTICE IN REPLY TO
PRESIDING OFFICER'S RULING NO. N2006-1/25
(July 11, 2006)

The United States Postal Service hereby provides this notice in reply to Presiding Officer's Ruling No. N2005-1/25, issued earlier today in response to the June 30, 2006, motion of the American Postal Workers Union seeking to compel production of "all completed Area Mail Processing Decision packages."¹ As explained below, there are no documents currently in existence that are responsive to the APWU Motion.

Background

In support of its motion, APWU referred to pages 11-12 of USPS-T-2. There, Postal Service witness Williams states that, at one time in early 2006, 46 operational consolidation feasibility opportunities had been identified by postal Area managers as candidates for the initial wave of Evolutionary Network Development AMP feasibility studies. As indicated in the Attachment to USPS-T-2, 41 of those 46 candidate AMPs were underway at the time that the request in this docket was initiated.

To-date, one of those 41 feasibility study candidates has completed the AMP review process – the Newark AMP, which is listed as number 19 on Attachment to

¹ At page 3 of the Ruling, the Presiding Officer correctly observes that a response to APWU's Motion was due to have been filed on Friday, July 7, 2006. The absence of critical personnel in various Headquarters departments made it impossible for undersigned counsel to complete consultations with all appropriate clients until yesterday evening.

USPS-T-2. A redacted copy of the Newark AMP decision package was filed with the Commission as USPS Library Reference N2006-1/14.²

Analysis continues on various other AMP feasibility studies identified in the USPS-T-2 Attachment. Four of the AMP feasibility studies listed in that Attachment (Nos. 21, 22, 38 and 41) have progressed toward completion sufficiently to warrant the solicitation of public input.³ At such time that these AMP studies and others progress to the point where they have been the subject of a final agency decision by the Senior Vice President, Operations, the Postal Service will fulfill its collective bargaining and employee association notification obligations, as indicated at page 15 of USPS-T-2, and then file copies of those decisions with the Commission, as it has done with the Newark AMP decision. While the pace of AMP decision-making is not what was anticipated when the request in this docket was filed, the Postal Service has not deviated from its commitment to file copies of completed AMP packages after they are the subject of a final agency decision.

The May 22nd Letter

The APWU Motion identified five of the original 41 operational consolidation AMP feasibility study candidates listed in the Attachment to USPS-T-2.⁴ APWU's motion was based – not unreasonably -- on its receipt of a May 22, 2006, letter from the Postal

² The filing of USPS Library Reference N2006-1/14 is consistent with the commitment expressed by witness Williams in his response to APWU/USPS-T2-57, which is referenced by APWU at page 3 of its Motion.

³ See, the AMP proposals summarized at <http://www.usps.com/all/amp.htm>.

⁴ The five are as follows: Utica NY into Syracuse (#16); Plattsburgh NY into Albany (#13); Burlington VT into White River (#11); Springfield MA into Hartford (#15); and Portsmouth NH into Manchester (#14).

Service. That letter specifically referred to the five operational consolidation AMP feasibility study candidates listed above in footnote 3. The intended purpose of the letter was to inform the APWU that the Postal Service had determined in May 2006 not to continue its examination of these five consolidation proposals originally identified for AMP study.⁵

In each case, an AMP study was initiated at the District/Area level. However, before any draft AMP Worksheets were submitted to Headquarters for cross-functional review and completion, concerns about the feasibility of each proposal were communicated to Headquarters by District/Area personnel responsible for initiating the AMP studies. As a result, a consensus was reached that further consideration of these particular AMP proposals should not continue at this time, as indicated in the letter.⁶ At such time that different consolidation proposals involving these targeted facilities are developed, new studies will be scheduled.

Thus, contrary to any implication in the May 22nd letter, no AMP documentation pertaining to the five proposals in question has been submitted to the Headquarters cross-functional AMP review team that scrutinizes proposals and refines them for final agency decision. Thus, no studies were completed in response to these five AMP proposals. While it may be fair to characterize any preliminary work performed by District/Area personnel as “careful and exhaustive,” hindsight confirms that it would have been more accurate if the May 22nd letter had informed the APWU that study of each of the AMP proposals had been “terminated,” rather than “completed.”

⁵ Just to be clear, the targeted facilities remain potential candidates for future AMP review.

⁶ And alluded to in responses to APWU/USPS-T2-67(b), 84 and 89.

The Postal Service regrets that the May 22nd letter did not clearly communicate this essential fact. Undersigned counsel has been authorized to indicate to the APWU that an appropriate letter of clarification is forthcoming.

Had completed AMP study packages for these consolidation proposals been submitted to Headquarters for cross-functional review and given a final “thumbs-down,” the Postal Service takes this opportunity to reiterate that it would have recognized and fulfilled its obligation to file copies of such final agency AMP decision packages in some form in this docket. However, that situation did not arise with respect to the five AMP candidate proposals that are the subject of the APWU Motion. It is unfortunate that the May 22nd letter to the APWU created a different impression.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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