

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSES OF POSTAL SERVICE WITNESS McCrERY
TO INTERROGATORIES OF MAGAZINE PUBLISHERS OF AMERICA, INC., AND
ALLIANCE OF NONPROFIT MAILERS (MPA/USPS-T42-20-22)
(July 28, 2006)

The United States Postal Service hereby provides the responses of witness McCrery to the above-mentioned interrogatories of Magazine Publishers of America, Inc., and Alliance of Nonprofit Mailers, filed on July 14, 2006.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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MPA/USPS-T42-20. Please refer to your response to MPA/USPS-T42-1, which states:

“In FY 2005, 44.7% of incoming secondary flats were finalized in manual operations in the field. The percentage is derived from flat volume of 13,188,243,000 pieces that received manual incoming secondary distribution in the field out of 29,501,658,000 total incoming secondary flat volumes. Source: MODS and FLASH reports.”

(a) Please confirm that 13,188,243,000 is the total number of manual incoming secondary flat sorts performed by the Postal Service in FY 2005. If not confirmed, please explain fully the meaning of this figure.

(b) Please confirm that 29,501,658,000 is the total number of incoming secondary flat sorts performed by the Postal Service in FY 2005. If not confirmed, please explain fully the meaning of this figure.

(c) What are FLASH reports? Please explain the source of the data presented in FLASH reports.

Response:

(a) Confirmed.

(b) Confirmed.

(c) The National Flash System (FLASH) is a weekly operating reporting management system. FLASH combines critical data from all functions and produces a one-page overview of the status of an organization. This status is then rolled up to the area and national levels. The reports contain payroll and non-payroll data that is used as a management tool in functional areas. Payroll related data is workhours, overtime hours, all leave hours, paid salaries, and fringe benefits. Non-payroll related data consists of revenue, workload and safety indicators, and productivity.

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MPA/USPS-T42-21. Please refer generally to Section III of your testimony, USPS-T-42, which discusses “Volumes and Workhours in Mail Processing,” and, in particular, to your discussion of (1) the “schemes effect” and (2) the previous testimony by Linda Kingsley in Docket No. R2000-1 and R2001-1.

(a) For flat sorting machines, you note that Kingsley’s investigation at two local plants found that an average of 10.7 daily sort schemes for each machine, compared to only 4.6 for the letter barcode sorters. In your experience, is it typical for FSMs to have this many daily scheme changes?

(b) For a representative AFSM 100 in today’s operating environment, please provide a list and description of all the sort schemes run on the machine during a single 24-hour period.

Response:

(a) Since Ms. Kingsley collected the data on two local plants in 2000, the flats sorting environment has been simplified at many plants. Instead of a mix of AFSM 100s, UFSM 1000s, and even old FSM 881s, many plants have moved toward AFSM 100s only. Since each type of machine demands its own set of sort programs, this has reduced the number of sort programs in use and, I believe, resulted in a modest reduction in the average number of sort program changes. Recognizing that the number of AFSM 100s in plants varies, from one machine at 98 facilities to eight at 3 plants (VP/USPS-T42-4), it is difficult to say what is typical. The 10.7 daily sort plan changes on the AFSM 100 is probably high for a “typical” plant in the current environment, but it would still be significantly greater than the DBCSs because the average run time per machine is significantly greater for the AFSM 100s compared to the DBCSs.

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(b) AFSM 100s are used collectively to accomplish the required sortation each day, so it isn't possible to pick a single machine as "representative". Instead, I have attached a table showing all AFSM 100 runs at a "representative" facility with 5 AFSM 100s on July 18, 2006. To read the table, the key field is the Sort Program. The first three characters in the field identify the MODS operation and the remainder of the field identifies the specific sort program being run. As an aid to understanding, I have also attached a chart that depicts the same information and shows the progressive use of MODS operations, and individual sort plans within each operation, as the day progresses, (all in vibrant color).

END OF RUN SUMMARY REPORT

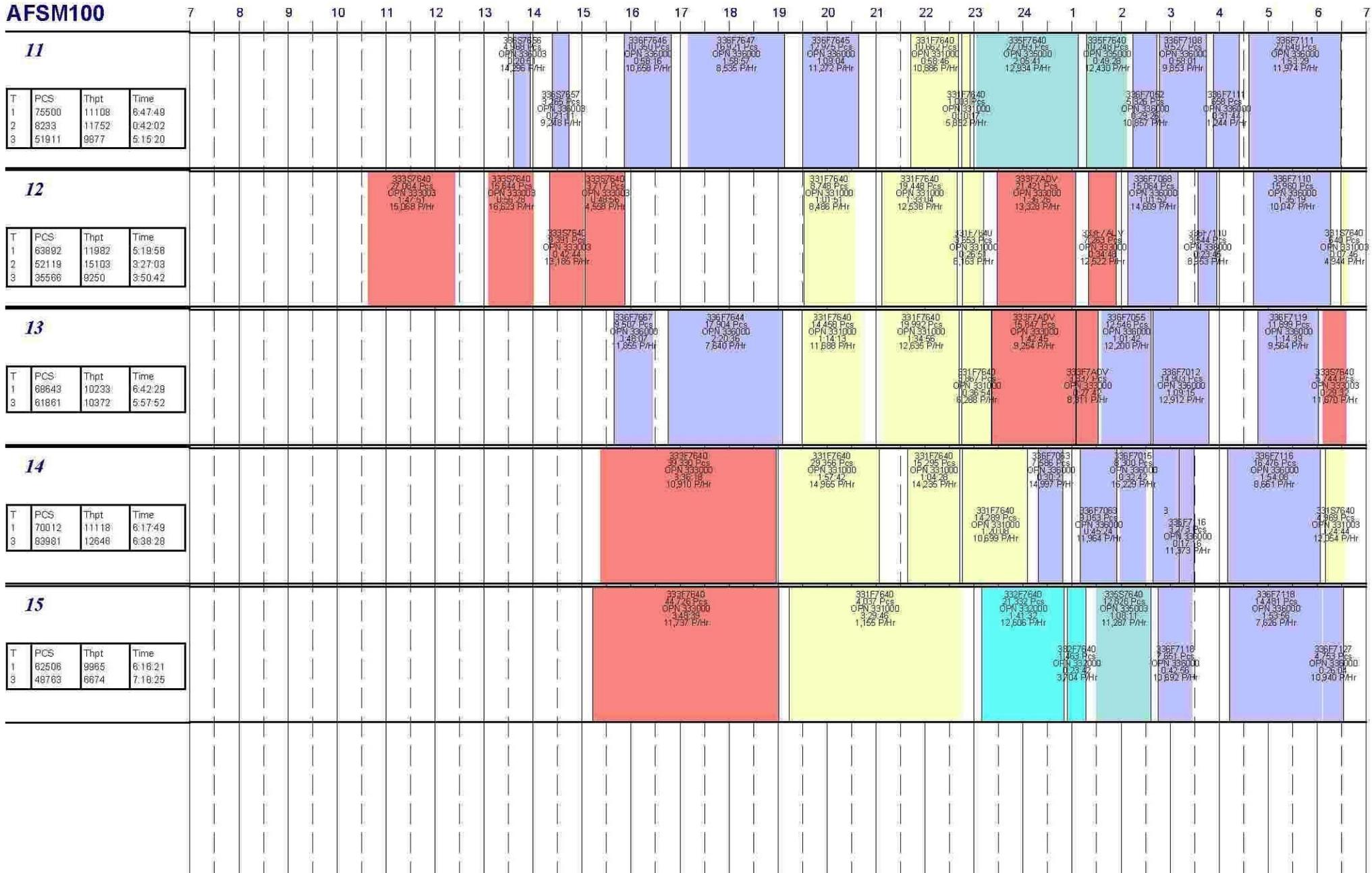
DATE: 07/18/2006

Mach Type	MNO	Op No.	Sort Program	Tour	Run#	Start	End	MODS Date	Fed	MODS Status
AFSM100	1	336003	336S7656	2	2	7/18/06 13:35	7/18/06 13:56	7/18/2006	4968	S 07/18/06
AFSM100	1	336003	336S7657	2	3	7/18/06 14:22	7/18/06 14:44	7/18/2006	3265	S 07/18/06
AFSM100	1	336000	336F7646	3	1	7/18/06 15:50	7/18/06 16:49	7/18/2006	10350	S 07/18/06
AFSM100	1	336000	336F7647	3	2	7/18/06 17:08	7/18/06 19:07	7/18/2006	16921	S 07/18/06
AFSM100	1	336000	336F7645	3	3	7/18/06 19:29	7/18/06 20:38	7/18/2006	12975	S 07/18/06
AFSM100	1	331000	331F7640	3	4	7/18/06 21:42	7/18/06 22:40	7/18/2006	10662	S 07/18/06
AFSM100	1	331000	331F7640	3	5	7/18/06 22:44	7/18/06 22:54	7/18/2006	1003	S 07/18/06
AFSM100	1	335000	335F7640	1	1	7/18/06 23:01	7/19/06 1:07	7/18/2006	27093	S 07/19/06
AFSM100	1	335000	335F7640	1	2	7/19/06 1:17	7/19/06 2:06	7/18/2006	10248	S 07/19/06
AFSM100	1	336000	336F7052	1	3	7/19/06 2:14	7/19/06 2:43	7/18/2006	5326	S 07/19/06
AFSM100	1	336000	336F7108	1	4	7/19/06 2:46	7/19/06 3:44	7/18/2006	9527	S 07/19/06
AFSM100	1	336000	336F7111	1	6	7/19/06 3:52	7/19/06 4:24	7/18/2006	658	S 07/19/06
AFSM100	1	336000	336F7111	1	7	7/19/06 4:35	7/19/06 6:29	7/18/2006	22648	S 07/19/06
AFSM100	2	333003	333S7640	2	2	7/18/06 10:37	7/18/06 12:24	7/18/2006	27084	S 07/18/06
AFSM100	2	333003	333S7640	2	3	7/18/06 13:04	7/18/06 14:00	7/18/2006	15644	S 07/18/06
AFSM100	2	333003	333S7640	2	4	7/18/06 14:19	7/18/06 15:02	7/18/2006	9391	S 07/18/06
AFSM100	2	333003	333S7640	3	1	7/18/06 15:03	7/18/06 15:52	7/18/2006	3717	S 07/18/06
AFSM100	2	331000	331F7640	3	3	7/18/06 19:30	7/18/06 20:32	7/18/2006	8748	S 07/18/06
AFSM100	2	331000	331F7640	3	4	7/18/06 21:06	7/18/06 22:39	7/18/2006	19448	S 07/18/06
AFSM100	2	331000	331F7640	3	5	7/18/06 22:44	7/18/06 23:11	7/18/2006	3653	S 07/18/06
AFSM100	2	333000	333F7ADV	1	1	7/18/06 23:27	7/19/06 1:04	7/18/2006	21421	S 07/19/06
AFSM100	2	333000	333F7ADV	1	2	7/19/06 1:19	7/19/06 1:54	7/18/2006	7263	S 07/19/06
AFSM100	2	336000	336F7068	1	3	7/19/06 2:07	7/19/06 3:09	7/18/2006	15064	S 07/19/06
AFSM100	2	336000	336F7110	1	4	7/19/06 3:33	7/19/06 3:57	7/18/2006	3544	S 07/19/06
AFSM100	2	336000	336F7110	1	5	7/19/06 4:41	7/19/06 6:16	7/18/2006	15960	S 07/19/06
AFSM100	2	331003	331S7640	1	7	7/19/06 6:28	7/19/06 6:36	7/18/2006	640	S 07/19/06
AFSM100	3	336000	336F7667	3	1	7/18/06 15:38	7/18/06 16:26	7/18/2006	9507	S 07/18/06
AFSM100	3	336000	336F7644	3	2	7/18/06 16:45	7/18/06 19:05	7/18/2006	17904	S 07/18/06
AFSM100	3	331000	331F7640	3	3	7/18/06 19:28	7/18/06 20:42	7/18/2006	14458	S 07/18/06
AFSM100	3	331000	331F7640	3	4	7/18/06 21:06	7/18/06 22:41	7/18/2006	19992	S 07/18/06
AFSM100	3	331000	331F7640	1	5	7/18/06 22:44	7/18/06 23:21	7/18/2006	3867	S 07/18/06
AFSM100	3	333000	333F7ADV	1	1	7/18/06 23:21	7/19/06 1:04	7/18/2006	15847	S 07/19/06
AFSM100	3	333000	333F7ADV	1	2	7/19/06 1:04	7/19/06 1:32	7/18/2006	3837	S 07/19/06
AFSM100	3	336000	336F7055	1	3	7/19/06 1:34	7/19/06 2:36	7/18/2006	12546	S 07/19/06

AFSM100	3	336000	336F7012	1	4	7/19/06 2:38	7/19/06 3:47	7/18/2006 14903	S 07/19/06
AFSM100	3	336000	336F7119	1	5	7/19/06 4:46	7/19/06 6:01	7/18/2006 11899	S 07/19/06
AFSM100	3	333003	333S7640	1	6	7/19/06 6:06	7/19/06 6:35	7/18/2006 5744	S 07/19/06
AFSM100	4	333000	333F7640	3	1	7/18/06 15:21	7/18/06 18:57	7/18/2006 39330	S 07/18/06
AFSM100	4	331000	331F7640	3	2	7/18/06 19:06	7/18/06 21:03	7/18/2006 29356	S 07/18/06
AFSM100	4	331000	331F7640	3	3	7/18/06 21:38	7/18/06 22:42	7/18/2006 15295	S 07/18/06
AFSM100	4	331000	331F7640	1	4	7/18/06 22:45	7/19/06 0:05	7/18/2006 14289	S 07/19/06
AFSM100	4	336000	336F7063	1	2	7/19/06 0:18	7/19/06 0:48	7/18/2006 7586	S 07/19/06
AFSM100	4	336000	336F7063	1	3	7/19/06 1:09	7/19/06 1:54	7/18/2006 9053	S 07/19/06
AFSM100	4	336000	336F7015	1	4	7/19/06 1:57	7/19/06 2:30	7/18/2006 8300	S 07/19/06
AFSM100	4	336000	336F7050	1	5	7/19/06 2:38	7/19/06 3:11	7/18/2006 6066	S 07/19/06
AFSM100	4	336000	336F7116	1	6	7/19/06 3:11	7/19/06 3:29	7/18/2006 3273	S 07/19/06
AFSM100	4	336000	336F7116	1	7	7/19/06 4:09	7/19/06 6:04	7/18/2006 16476	S 07/19/06
AFSM100	4	331003	331S7640	1	8	7/19/06 6:09	7/19/06 6:34	7/18/2006 4969	S 07/19/06
AFSM100	5	333000	333F7640	3	1	7/18/06 15:12	7/18/06 19:00	7/18/2006 44726	S 07/18/06
AFSM100	5	331000	331F7640	3	2	7/18/06 19:13	7/18/06 22:42	7/18/2006 4037	S 07/18/06
AFSM100	5	332000	332F7640	1	1	7/18/06 23:08	7/19/06 0:50	7/18/2006 21332	S 07/19/06
AFSM100	5	332000	332F7640	1	2	7/19/06 0:53	7/19/06 1:17	7/18/2006 1463	S 07/19/06
AFSM100	5	335003	335S7640	1	3	7/19/06 1:28	7/19/06 2:36	7/18/2006 12826	S 07/19/06
AFSM100	5	336000	336F7118	1	4	7/19/06 2:44	7/19/06 3:27	7/18/2006 7651	S 07/19/06
AFSM100	5	336000	336F7118	1	5	7/19/06 4:11	7/19/06 6:05	7/18/2006 14481	S 07/19/06
AFSM100	5	336000	336F7127	1	6	7/19/06 6:06	7/19/06 6:32	7/18/2006 4753	S 07/19/06

Machine Utilization by Sort Program

FY: 2006 AP:10 DAP:18 Tuesday, July 18, 2006



Machine Utilization by Sort Program

7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 1 2 3 4 5 6 7

Tour	Volume	Thruput
1	340553	10843
2	60362	14538
3	282082	9723
Total	682987	10577

Tour	331		332		333		335		336	
	Pcs	Thpt	Pcs	Thpt	Pcs	Thpt	Pcs	Thpt	Pcs	Thpt
1	23765	9536	22795	10921	54112	11149	50167	12370	189714	10588
2	0	0	0	0	52119	15103	0	0	8233	11752
3	126652	9360	0	0	87773	10663	0	0	67667	9332
Total	150417	9367	22795	10921	194004	11732	50167	12370	265604	10267

Machine 14	Run 8	Sortplan 336F7D50	Runtime 0:33:06	Pcs 6066	Thrpt 10996
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MPA/USPS-T42-22. Please refer to lines 11-18 on page 36 of your testimony, USPS-T-42, where you state:

“Out of the hundreds of schemes run each day, a few very large schemes (e.g., the initial outgoing and incoming schemes, i.e., the “primaries”) may be run on multiple sorters due to time constraints. But for the vast majority of schemes, this is neither necessary nor desirable. If time did not allow for sorting, say, all the Alexandria letter mail, then Standard Mail letters would be held for later processing. Indeed, in the final sort for most letter mail -- when the mail is arranged in delivery sequence -- we are unable to split a run among machines even if there was a desire to do so, since there would be no practical means to merge the results.”

(a) Please confirm that running the same scheme on multiple sorters increases the number of “less-than-full” containers produced by the Postal Service since all containers (whether full or not) are swept at the end of the scheme, thus increasing container-handling costs in subsequent operations. If not confirmed, please explain fully.

(b) Please confirm that running the same DPS scheme on two different sorters would produce two DPS bundles for each carrier served by the DPS scheme. If not confirmed, please explain fully.

(c) Please confirm that most sort schemes are incoming “secondaries” (including DPS schemes) and that incoming secondaries sort mail from one or multiple 5-Digit ZIP Codes to carrier route or delivery point sequence. If not confirmed, please explain fully.

(d) In your experience, are non-DPS incoming secondary sort schemes almost always run on just one machine? If not confirmed, please explain fully.

(e) Separately for outgoing primary, incoming primary, incoming secondary, and managed mail schemes, what percentage of schemes are run simultaneously on multiple machines?

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Response:

- (a) Confirmed.
- (b) Confirmed with qualification. DPS is a two-pass operation. Although both the first and second pass are typically performed on the same machine at the same time for the reason you note, the first and/or second pass can be performed on different machines if absolutely necessary. This option is generally avoided since it requires that the trays from the two first passes be merged in precise order. If there is a mistake, the entire sort is ruined and both passes must be repeated from the beginning. If the second pass is split, the first-pass trays must be divided precisely and the result is approximately twice as many trays per carrier.
- (c) Confirmed.
- (d) Confirmed for each individual sort scheme. However, in the early hours of the morning, incoming secondary schemes are generally running on every AFSM 100 (See chart in VP/USPS-T42-21b above).
- (e) Data to answer this question directly is not available. However, every facility maintains an electronic journal recording each sort program run on each machine. Recognizing the potential importance of this question, a reasonably typical date was chosen, May 18, 2006, and times were chosen when we hoped to find each sort level actually running extensively (not changing schemes, on break, running something else, etc.). Every facility was queried to transmit the necessary records to a central computer, and the following analysis produced.

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		DBCS			AFSM100		
Sort Level	Time	One Machine	Multiple Machines	% Multi	One Machine	Multiple Machines	% Multi
OG PRI	8:50 PM	356	137	27.79%	146	52	26.26%
OG SEC	11:50 PM	21	4	16.00%	11		0.00%
MMP	5:50 PM	74	73	49.66%	62	34	35.42%
SCF	11:50 PM	36		0.00%	11		0.00%
INC PRI	11:50 PM	7	3	30.00%	1		0.00%
INC SEC	2:50 AM (no						
xDPS	DPS)	109	1	0.91%	326		0.00%
DPS	3:50 AM	3037	4	0.13%			