

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON DC 20268-0001
EVOLUTIONARY NETWORK DEVELOPMENT] DOCKET NO. N2006-1
SERVICE CHANGES, 2006]

REPLY BRIEF OF DAVID B. POPKIN

October 26, 2006

Respectfully submitted,

N220061BRIEFreply

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1. In the Postal Service's Initial Brief at 17, they stated:

In contrast, in the current case, the Postal Service is realigning its mail processing network, and some of those operational changes are expected to lead to changes in the application of current service standard definitions to an unknown number of 3-digit ZIP Code pairs and volumes for different mail classes. Changes in the application of current service standards are not an objective, but are an expected consequence of Evolutionary Network Development. Moreover, because of the incremental manner in which END will be implemented and 3-digit ZIP Code origindestination pairs will be reviewed for change without any pre-conception about outcomes, it is impossible to project the magnitude of the service standard upgrades and/or downgrades that may be implemented for any particular mail class. Nevertheless, irrespective of whether the service changes resulting from the pursuit of the operational objectives described above are deemed to be "substantially nationwide" for any mail class within the meaning of 39 U.S.C. § 3661(b), the Postal Service considers that its Docket No. N2006-1 request complies with a relevant policy directive of the Postal Rate Commission.

2. Regardless of what causes the service standards to change, they are still a change which affects the mailing public.

3. The Postal Service believes that changes in the service standards will still provide an adequate level of service as noted at 26:

For instance, the Postal Service considers that existing service standard definitions, summarized in the Attachment to USPS-T-1, reflect that it seeks to provide what can fairly be described as at least an *adequate* level of service for each mail class, within the meaning of § 3661(a). And, no party has presented record evidence to support a contrary conclusion.

4. The Postal Service believes that their efforts at efficiency should take precedence over any reductions in service standards as noted at 27 and 28.

A principle objective of the END initiative is to reduce inefficiency. Thus, to the extent that substantially nationwide downgrades of service between numerous 3-digit ZIP Code pairs within existing service standard definitions occur in accordance with rational operating plans such as END, resulting service changes should not, because they result from the pursuit of efficiency, be determined to not comply with the policies of the Act. The goals of Evolutionary Network Development are consistent with the operational policies of the Postal Reorganization Act and reflect a proper consideration of service and cost related policies. Accordingly, a sound basis exists for concluding that implementation of the types of service changes expected to result from END would conform the policies of the Postal Reorganization Act, within the meaning of § 3661(c).

5. The Postal Service indicates the service standards in the Attachment to USPS-T-1. Unfortunately, these standards are apparently not fully complied with. I attempted to determine the level to which the Postal Service complies with their own guidelines for consideration for First-Class Mail overnight delivery. See my Interrogatories DBP/USPS-6, 87, and 88. The Postal Service objected to these Interrogatories and their objection was upheld by POR 5 and 21 with respect to these objections except for subparts a, b, and e of Interrogatory DBP/USPS-6.

6. The extent to which the Postal Service complies, or actually does not comply, with the guidelines for overnight delivery can be seen in the data contained in my Interrogatory DBP/USPS-694 in Docket R2006-1.

7. The Postal Service's desire to have the Commission rule that any changes in service standards which result from the application of their consolidation procedures is acceptable must not be allowed to proceed. The Postal Service objected to any evaluation of the service standards. The public deserves to have the Commission evaluate and provide an advisory opinion on the effects of the changes in service standards.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.

David B. Popkin October 26, 2006
