

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

**Rate and Service Changes To Implement
Baseline Negotiated Service Agreement
With Bank of America Corporation**

Docket No. MC2007-1

**MOTION OF APWU FOR PERMISSION TO FILE
REQUESTS FOR ADMISSION BY THE POSTAL SERVICE
(APWU/USPS Requests)
(April 24, 2007)**

Pursuant to Rule 21(a) of the Rules of Practice, The American Postal Workers Union, AFL-CIO hereby moves the Commission to permit the APWU to file certain Requests for Admission to USPS. This case is before the Commission on the request of the USPS for approval of a Negotiated Service Agreement with the Bank of America Corporation. The deadline for discovery in this proceeding, other than follow-up questions on interrogatory responses, was April 6, 2007.

On March 27, 2007 the APWU propounded Interrogatories APWU/USPS-T1-3. The Postal Service response to these interrogatories was due no later than April 10, 2007. To date, no response to Interrogatory APWU/USPS-T1-1 has been filed by the Postal Service. The response is now two weeks past due and the Postal Service has provided no indication when it intends to produce this information.

Bank of America in response to NOI 1 states that “no participant has submitted evidence that current read/accept rates differ significantly from those estimates [made in R2000-1 based on 1999 data].” The APWU’s pending interrogatory seeks to elicit evidence of the sort referred to by Bank of America that would show that current read/accept rates do differ substantially from the 1999 data

relied on in the proposed NSA. As evidenced in NOI 1 and the Initial Comments filed in response, there is considerable concern over the use of the 1999 data in crafting a pay-for-performance agreement with a company whose read/accept rates may be far better than those experienced by the Postal Service in 1999. (see Valpak Direct Marketing Systems, Inc. and Valpak Dealers Association, Inc. Response to Notice of Inquiry No. 1).

The Requests for Admission submitted by the APWU are based on the APWU's pending interrogatory requests and seek confirmation or denial by the USPS of facts directly relevant to the legality and appropriateness of the proposed NSA. Pursuant to Rule 28(b) of the Commission's Rules, the USPS must respond to the Requests for Admission within 14 days. On that timetable, the USPS responses would be filed in time for the scheduled May 8, 2007, hearing in this matter.

Respectfully submitted,

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APWU/USPS Requests for Admission. Intervener APWU requests USPS, within 14 days after service of this request to make the following admissions for the purpose of this proceeding only and subject to all pertinent objections to admissibility which may be interposed if any party or intervener seeks to admit them into evidence:

1(a). That the 2000 Comprehensive Statement on Postal Operations makes the following statement, at page 46: "The ICS system is being added to all of our existing bar code sorters... When deployment is complete in early 2001, over 9,000 barcode sorters will be retrofitted with an ICS upgrade kit. The upgrade is increasing bar code sorter efficiency."

(b). That the deployment described in Request 1(a) above has been completed or substantially completed.

(c). That the deployment described in Requests 1(a) and (b) above increased bar code sorter efficiency.

(d) That the deployment described in Requests 1(a) and (b) above improved read rates on postal automation equipment .

2(a). That the 2003 Comprehensive Statement on Postal Operations makes the following statement, at page 60: "During 2003, 90 delivery barcode sorter-expanded capability machines were deployed, bringing the total number of DBCS-ECs to 94. The DBCS-EC machines can process a portion of letter mail that would otherwise require manual distribution. This equipment can handle a wider range of mail than previous barcode sorters,..."

(b). That the deployment of the DBCS-ECs described in Request 2(a) above has been completed or substantially completed.

(c). That the deployment DBCS-ECs described in Requests 2(a) and 2(b) above increased bar code sorter efficiency.

(d) That the deployment DBCS-ECs described in Requests 2(a) and 2(b) above improved read rates on postal automation equipment .

3(a). That the 2003 Comprehensive Statement on Postal Operations makes the following statement, at page 61: "Deployment of Wide Field of View (WFOV) cameras as replacements for the aging and obsolete wide area barcode readers (WABCR) started in 2003. ... The WFOV camera system demonstrated a significant improvement over the WABCR in reading POSTNET and PLANET barcodes. Deployment of over 9,000 WFOV cameras was completed in November 2003."

(b). That deployment of over 9,000 WFOV cameras was completed in November 2003.

(c). That deployment of over 9,000 WFOV cameras completed in November 2003 increased bar code sorter efficiency.

(d). That deployment of over 9,000 WFOV cameras completed in November 2003 increased bar code sorter read rates.

4(a). That the 2006 Comprehensive Statement on Postal Operations makes the following statement, at page 36: "Letter mail automation capabilities were

expanded significantly in 2006 with the addition of new barcode recognition and data collection functions to support marketing and Intelligent Mail efforts. Most of the letter mail processing equipment has been upgraded to support the tracking of inter-facility mail.”

(b). That the statement quoted in Request 4(a) above is correct.

(c). That the addition of new barcode recognition and data collection functions in 2006 to support marketing and Intelligent Mail efforts increased letter mail automation efficiency.

(d). That the addition of new barcode recognition and data collection functions in 2006 to support marketing and Intelligent Mail efforts increased letter mail automation read rates.

5. That the Postal Service ordinarily prepares a Return on Investment Analysis and a Decision Analysis Report for each capital investment in mail processing equipment it is considering making.
6. That for each of the equipment deployments described in Requests 1 through 4 above, the Postal Service prepared a Return on Investment Analysis that was used during the process of deciding whether to procure and deploy the equipment.
7. That for each of the equipment deployments described in Requests 1 through 4 above, the Postal Service prepared a Decision Analysis Report that was used during the process of deciding whether to procure and deploy the equipment.