

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

**PARTIAL RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS AYUB
TO INTERROGATORY OF THE AMERICAN POSTAL WORKERS UNION
(APWU/USPS-T1-1)
(May 1, 2007)**

The United States Postal Service hereby provides the partial response of witness Ayub to the following interrogatory of the American Postal Workers Union: APWU/USPS-T1-1, filed on March 27, 2007. The interrogatory is stated verbatim and is followed by the response. The Postal Service will produce documents responsive to APWU/USPS-T1-1(a) under protective conditions and will file a separate motion seeking the issuance of a Ruling to this effect.

UNITED STATES POSTAL SERVICE

By its attorneys:

Anthony F. Alverno
Chief Counsel, Customer Programs

Frank R. Heselton
Matthew J. Connolly

475 L'Enfant Plaza, S.W.
Washington, D.C. 20260-1135
(202) 268-8582; Fax -5418

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS AYUB TO INTERROGATORY OF THE AMERICAN POSTAL WORKERS UNION

APWU/USPS-T1-1. Please review the following quotes taken from recent Comprehensive Statements of the Postal Service:

“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.” [CS 2000, page 46.]

“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,...” [CS 2003, page 60.]

“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.” [CS 2003, page 61.]

“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.” [CS 2006, page 36.]

- a) Please provide all studies, test results, or other documentation that measures or reports on any improvements in the efficiency of barcode sorters with these enhancements compared to barcode sorters prior to the installation of these enhancements.
- b) Please provide information on what percentage of the barcode sorters in the Postal Service have these enhancements now, what percentage can expect to have these enhancements within the next three years and what percentage had these enhancements in 1999.

RESPONSE:

- a) The responsive documentation will be submitted as library reference USPS-LR-3/MC2007-1. It is important, however, to emphasize the limited relevance of this information to the current proposal for the BAC NSA:

- Identification Code Sort (ICS): Data on the Identification Code Sort program are contained in a Decision Analysis Report (DAR) dating to May

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS AYUB TO INTERROGATORY OF THE AMERICAN POSTAL WORKERS UNION

of 1998. ICS deployment is not, however, pertinent to the proposal at issue in this proceeding because the deployment of ICS only leads to improvements in the read rate of “anonymous” mail (i.e., mail received over the counter or in collection boxes, not presort mail such as that presented by BAC). ICS improvements are obtained from the ability to use the Postal Service derived address information (obtained by running the mail through an OCR) when a Postal applied Postnet (i.e., applied by the Postal Service) is unreadable for any reason. Because the Bank of America mail at issue in this proceeding bypasses the OCR operation, it does not benefit from this enhancement.

- Expanded Capability (EC): Data are provided for the Expanded Capability program from a Decision Analysis Report dating to May of 2000. However, EC is not pertinent to this proceeding because the performance enhancements included in the DAR are related to the physical characteristics of the mailpieces, not the barcode. That is, there are no read rate improvements due to the implementation of the EC program. All of the improvements were productivity improvements gained by moving a percentage of manual mail up to automation operations.
- Wide Field of View (WFOV) Camera: Data are provided for the Wide Field of View Camera program from a Decision Analysis Report dating to June 2001. The WFOV was justified on enhancing the read rates of pre-barcoded mail. On average, in tests, First-Class Mail that was pre-barcoded read 0.45 percent better than the previous Wide Area Barcode

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS AYUB TO
INTERROGATORY OF THE AMERICAN POSTAL WORKERS UNION**

Reader. However, if Bank of America was preparing its mail to meet automation compatibility requirements, then the read rate improvement from the WFOV would presumably be less than the average improvements measured.

(b) I understand that:

- 100 percent of postal barcode sorters have Identification Code Source (ICS) installed. The Postal Service began deployment of ICS in 1999. Deployment was completed in 2000.
- 100 percent of postal barcode sorters have the Wide Field of View (WFOV) camera installed. The Postal Service began deployment of WFOV in 2002. Deployment was completed in 2004.
- Approximately 9 percent of postal barcode sorters currently have the Expanded Capability (EC) function. No barcode sorters had the Expanded Capability (EC) function in 1999.

It is my understanding that the Postal Service has no plans to implement or deploy any additional enhancements described in the interrogatory.

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.

Matthew J. Connolly

475 L'Enfant Plaza, S.W.
Washington, D.C. 20260-1135
(202) 268-8582; Fax -5418
May 1, 2007