

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

**RESPONSES OF UNITED STATES POSTAL SERVICE TO REQUESTS FOR
ADMISSION OF THE AMERICAN POSTAL WORKERS UNION, AFL-CIO
(APWU/USPS-RA-1-13)
(May 3, 2007)**

The United States Postal Service hereby provides its responses to the following requests for admission of the American Postal Workers Union, AFL-CIO: APWU/USPS-RA-1-13, filed on April 24, 2007. The Postal Service originally filed responses to the requests for admission on April 30, 2007. Errata in designating those responses have been corrected in this filing, as indicated in a separate notice of errata filed today. No other changes have been made. The requests are stated verbatim and are followed by the responses. In filing these responses, the Postal Service does not waive its right to object to the production or disclosure of the documents referenced in these requests.

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

**RESPONSES OF UNITED STATES POSTAL SERVICE TO REQUESTS FOR
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APWU/USPS-RA-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.

RESPONSE:

(a) Denied. The following corrections should be made to the above quoted statement:

- The word "be" should be replaced with "have been".
- "9,000 barcode sorters" should be replaced with "9,000 bar code sorters".
- "The upgrade" should be replaced with "This upgrade".

The revised statement reads as follows: "The ICS system is being added to all of our existing bar code sorters... When deployment is complete in early 2001, over 9,000 bar code sorters will have been retrofitted with an ICS upgrade kit. This upgrade is increasing bar code sorter efficiency."

(b) Admitted.

(c) Admitted.

(d) Admitted.

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APWU/USPS-RA-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 of the DBCS-ECs described in Requests 2(a) and 2(b) above increased bar code sorter efficiency.
- (d). That the deployment of the DBCS-ECs described in Requests 2(a) and 2(b) above improved read rates on postal automation equipment.

RESPONSE:

- (a) Denied. The following correction should be made to the above quoted statement:

- The words "capability machines" should be replaced with "capability (DBCS-EC) machines".

The revised statement reads as follows: "During 2003, 90 delivery barcode sorter-expanded capability (DBCS-EC) 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) Admitted.
- (c) Admitted.
- (d) Denied. The deployment of DBCS-EC machines improved productivity on mail previously considered to be manual mail. The purpose of this program was not to improve the read rates of previously machinable mail on postal automation equipment.

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APWU/USPS-RA-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.

RESPONSE:

(a) Denied. The following correction should be made to the above quoted statement:

- "(WABCR)" should be replaced with "(WABCRs)".

The revised statement reads as follows: "Deployment of Wide Field of View (WFOV) cameras as replacements for the aging and obsolete wide area barcode readers (WABCRs) 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) Denied. The deployment of WFOV cameras was completed in October 2003.

(c) Admitted.

(d) Admitted.

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APWU/USPS-RA-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.

RESPONSE:

(a) Denied. The following correction should be made to the above quoted statement:

- The words "to provide Intelligent Mail barcode capability, as well as new functionality" should be inserted after "upgraded".

The revised statement reads as follows: "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 provide Intelligent Mail barcode capability, as well as new functionality to support the tracking of inter-facility mail."

(b) Admitted.

(c) Denied. The addition of new barcode recognition and data collection functions identified in this request did not increase letter mail automation efficiency in the sense of improving read/accept rates. These additions simply enabled postal

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letter mail processing equipment to gather information on new customer services

(e.g., Four-State Barcode and IBIP recognition).

(d) Denied. Please see response to part (c) above.

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APWU/USPS-RA-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.

RESPONSE:

Denied. The Postal Service is required to prepare Decision Analysis Reports (“DARs”) for capital investments in mail processing equipment that will be deployed and that cost \$5 million or more. DARs generally are not prepared for mail processing equipment for research and development, testing, or any other predeployment activities.

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APWU/USPS-RA-6. That for each of the equipment deployments described in Requests 1 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.

RESPONSE:

Admitted.

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APWU/USPS-RA-7. That for each of the equipment deployments described in Requests 2 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.

RESPONSE:

Admitted.

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APWU/USPS-RA-8. That for each of the equipment deployments described in Requests 3 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.

RESPONSE:

Admitted.

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APWU/USPS-RA-9. That for each of the equipment deployments described in Requests 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.

RESPONSE:

Admitted.

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APWU/USPS-RA-10. That for each of the equipment deployments described in Requests 1 above, the Postal Service prepared a Decision Analysis Report that was used during the process of deciding whether to procure and deploy the equipment.

RESPONSE:

Admitted.

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APWU/USPS-RA-11. That for each of the equipment deployments described in Requests 2 above, the Postal Service prepared a Decision Analysis Report that was used during the process of deciding whether to procure and deploy the equipment.

RESPONSE:

Admitted.

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APWU/USPS-RA-12. That for each of the equipment deployments described in Requests 3 above, the Postal Service prepared a Decision Analysis Report that was used during the process of deciding whether to procure and deploy the equipment.

RESPONSE:

Admitted.

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APWU/USPS-RA-13. That for each of the equipment deployments described in Requests 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.

RESPONSE:

Admitted.

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

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Washington, D.C. 20260-1135
(202) 268-8582; Fax -5418
May 3, 2007