

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

SIX-DAY TO FIVE DAY STREET DELIVERY
AND RELATED SERVICE CHANGES, 2010

Docket No. N2010-1

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS NERI
TO INTERROGATORIES OF DOUGLAS CARLSON
(DFC/USPS-T4-1 THROUGH T4-8)

The United States Postal Service hereby provides the responses of witness Frank Neri to the following interrogatories of Douglas Carlson dated April 1, 2010: DFC/USPS-T4-1 through DFC/USPS-T4-8. Each interrogatory is stated verbatim and is followed by the response.

Interrogatory DFC/USPS-T4-9 has been redirected to the Postal Service for an institutional response that is being filed separately.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Pricing and Product Support

Nabeel R. Cheema

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-7178; Fax -5402
April 15, 2010

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS FRANK NERI
TO INTERROGATORY OF DOUGLAS CARLSON**

DFC/USPS-T-4-1

Please refer to your testimony at page 6. Please explain the difference between a “Managed Mail Program (MMP) sort scheme” and an “incoming primary sort scheme.”

RESPONSE

An MMP sort scheme is an incoming distribution to the 3-digit and/or 5-digit ZIP Code levels for mail sorted to Area Distribution Center or Automated ADC at an originating plant. For mail which receives a finer depth of sort at an originating plant, the MMP sort scheme can be bypassed, and the mail sorted directly on an incoming primary sort scheme.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS FRANK NERI
TO INTERROGATORY OF DOUGLAS CARLSON**

DFC/USPS-T4-2

Please refer to your testimony at page 9. Please explain in detail the changes that the Postal Service would make to sort plans and software to allow post office box mail to be sorted for delivery on Saturdays. Your response should discuss mail destined to post office boxes that have unique ZIP Codes as well as mail destined to post office boxes that share the ZIP Code of addresses that receive carrier delivery.

RESPONSE

The software that currently sorts the mail into carrier delivery point sequence (DPS) has been modified in the following manner. All DPS first pass sort programs used for Saturday morning delivery will isolate all Post Office Box mail into a single machine holdout bin and sequence all street addressed mail. The box mail will then be removed from the machine and processed again on another DPS first and second pass sort program.

The software then enables any mail arriving over the weekend to be sorted along with the remaining street addressed mail already sorted to delivery sequence in the DPS first pass. As a result, the processing facility minimizes the amount of mail that needs to be rerun. The software change also discontinues the segregation of any post office box mail received over the weekend and sorts it exactly the same as the current DPS process.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS FRANK NERI
TO INTERROGATORY OF DOUGLAS CARLSON**

DFC/USPS-T4-3.

Please refer to your testimony at page 12. Please provide detailed information on the Advanced Facer Cancellor 200, including system capabilities and functionality and the deployment schedule.

RESPONSE

The AFCS 200 replaces the more complex components of the legacy machine, effectively updating 20-year-old technology. The AFCS 200 will be a more efficient machine that includes operational and maintenance improvements. It is expected to increase operational throughput by 15 percent and will be able to perform 12 programmable separations. Additionally, improvements to the stacker gates and cameras are expected to result in fewer machine jams, reduce reject rates and reduce maintenance requirements. The AFCS 200 will have the ability to print a POSTNET barcode on mail pieces based on OCR recognition results.

The deployment schedule is currently being developed. This interrogatory response will be updated to include the schedule when the list is ready for publication.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS FRANK NERI
TO INTERROGATORY OF DOUGLAS CARLSON**

DFC/USPS-T4-4

Please refer to your testimony at page 12. Please explain what Lean Six Sigma tools are.

RESPONSE

Lean Six Sigma is the integration of two business improvement approaches: Lean Manufacturing and Six Sigma statistical analysis. The goal of the Lean approach is to reduce waste and increase process speed, while Six Sigma helps to reduce variation and defects. Tools to support this approach include current state mapping, process flow charts and Pareto charts.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS FRANK NERI
TO INTERROGATORY OF DOUGLAS CARLSON**

DFC/USPS-T4-5

Please refer to your testimony at pages 11–12. Does the Postal Service assume that no mailer behavior would change on Fridays?

Please explain.

RESPONSE

Overall, postal customers have indicated to us that they understand that they will need to assess how the shift to a 5-day street delivery schedule will affect them and determine how to adjust their mailing practices. See USPS-T-9, at 1, 4-6, and 8-10. The Postal Service expects mailer behaviors to change, but absent perfect knowledge of future behavior, the Postal Service is examining multiple scenarios.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS FRANK NERI
TO INTERROGATORY OF DOUGLAS CARLSON**

DFC/USPS-T4-6.

Did the Postal Service consider retaining collection and processing of outgoing mail on Saturdays and expanding existing area mail processing, or consolidation, plans on Saturdays?

RESPONSE

Regarding the retention of collection and processing of outgoing mail on Saturdays, please see the response of witness Pulcrano to DFC/USPS-T1-1.

Consolidating outgoing processing on a single day (Saturday) would seem to have limited workhour savings potential when compared to the elimination of outgoing processes at every plant on Saturday. The Postal Service has continuously expanded consolidation opportunities of outgoing mail on Saturdays and considers all feasible options for reducing costs. With the large number of Saturday consolidations currently in place, additional opportunities have been exhausted or are limited.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS FRANK NERI
TO INTERROGATORY OF DOUGLAS CARLSON**

DFC/USPS-T4-7.

For each processing facility that processes outgoing mail on weekdays but not on Saturdays, please indicate the plant to which that processing facility forwards its mail for processing on Saturdays. For purposes of this interrogatory, a "processing facility" is a P&DF, a P&DC, or a post office that postmarks and distributes mail.

RESPONSE

The following list identifies processing facilities that process outgoing mail Monday through Friday and the facilities that perform their processing on Saturdays.

<u>Monday-Friday Cancellation</u>	<u>Saturday Cancellation</u>
SPRINGFIELD (MA) P&DC	HARTFORD (CT) P&DC
CENTRAL MASS (MA) P&DC	BOSTON (MA) P&DC
MIDDLESEX-ESSEX (MA) P&DC	BOSTON (MA) P&DC
BROCKTON (MA) P&DF	PROVIDENCE (RI) P&DC
CAPE COD (MA) PDF	PROVIDENCE (RI) P&DC
EASTERN MAINE (ME) P&DF	SOUTHERN MAINE (ME) P&DC
BURLINGTON (VT) P&DF	WHITE RIVER JCT (VT) P&DC
SOUTHERN CT (CT) P&DC	HARTFORD (CT) P&DC
STAMFORD (CT) P&DC	HARTFORD (CT) P&DC
NNJ METRO (NJ) P&DC	DOMINICK V DANIELS (NJ) P&DC
TRENTON (NJ) P&DC	KILMER (NJ) P&DC
MORGAN STATION (NY) P&DC	WESTCHESTER (NY) P&DC
MORGAN STATION (NY) P&DC	MID-ISLAND (NY) P&DC
MID-HUDSON (NY) P&DC	WESTCHESTER (NY) P&DC
PLATTSBURGH (NY) CSF	ALBANY (NY) P&DC
UTICA (NY) P&DF	SYRACUSE (NY) P&DC
BINGHAMTON (NY) P&DF	SYRACUSE (NY) P&DC
BUFFALO (NY) P&DC	ROCHESTER (NY) P&DC
JOHNSTOWN (PA) P&DC	PITTSBURGH (PA) P&DC
ERIE (PA) P&DF	PITTSBURGH (PA) P&DC
ALTOONA (PA) MPC	PITTSBURGH (PA) P&DC
WILLIAMSPORT (PA) P&DF	HARRISBURG (PA) P&DC
LANCASTER (PA) P&DC	HARRISBURG (PA) P&DC
READING (PA) P&DF	PHILADELPHIA (PA) P&DC
SCRANTON (PA) P&DF	LEHIGH VALLEY (PA) P&DC
SOUTHEASTERN (PA) P&DC	PHILADELPHIA (PA) P&DC
DELAWARE (DE) P&DC	SOUTH JERSEY (NJ) P&DC
DULLES (VA) P&DC	NORTHERN VA (VA) PDC
SOUTHERN MD (MD) P&DC	SUBURBAN MD (MD) P&DC
CUMBERLAND (MD) MO	BALTIMORE (MD) P&DC
FREDERICK (MD) P&DF	BALTIMORE (MD) P&DC

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS FRANK NERI
TO INTERROGATORY OF DOUGLAS CARLSON**

CHARLOTTESVILLE (VA) P&DF
BRISTOL (VA) P&DF
LYNCHBURG (VA) P&DF
BLUEFIELD (WV) MPO
HUNTINGTON (WV) P&DF
WHEELING (WV) MPO
CUMBERLAND (MD) P&DC
ROCKY MOUNT (NC) P&DF
KINSTON (NC) P&DF
HICKORY (NC) P&DF
ASHEVILLE (NC) P&DF
FLORENCE (SC) P&DF
ALBANY (GA) CSNPF
ALBANY (GA) CSNPF
COLUMBUS (GA) CSNPF
DAYTONA BEACH (FL) P&DF
PANAMA CITY (FL) P&DF
GAINESVILLE (FL) P&DC
MID-FLORIDA (FL) P&DC
FORT LAUDERDALE (FL) P&DC
MANASOTA (FL) P&DC
HUNTSVILLE (AL) P&DF
CHATTANOOGA (TN) P&DC
JOHNSON CITY (TN) CSNPF
JACKSON (TN) P&DC
GRENADA (MS) P&DC
HATTIESBURG (MS) CSF
LONDON (KY) P&DF
ASHLAND (KY) P&DF
ZANESVILLE (OH) PDF
YOUNGSTOWN (OH) P&DF
AKRON (OH) P&DC
YOUNGSTOWN (OH) P&DF
MANSFIELD (OH) MPO
DAYTON (OH) P&DC
LIMA (OH) P&DF
GARY (IN) P&DC
SOUTH BEND (IN) P&DC
KOKOMO (IN) P&DF
MUNCIE (IN) P&DF
BLOOMINGTON (IN) DDC
TERRE HAUTE (IN) P&DF
EVANSVILLE (IN) P&DF
LAFAYETTE (IN) P&DF
KALAMAZOO (MI) P&DC
GAYLORD (MI) MPO
WATERLOO (IA) P&DF
FORT DODGE (IA) CSF
WATERLOO (IA) P&DF
SIOUX CITY (IA) P&DF
SIOUX CITY (IA) P&DF
MADISON (WI) P&DC
GREEN BAY (WI) P&DC
EAU CLAIRE (WI) P&DF
OSHKOSH (WI) P&DF
MANKATO (MN) P&DF
SAINT CLOUD (MN) P&DF

RICHMOND (VA) P&DC
ROANOKE (VA) P&DC
ROANOKE (VA) P&DC
CHARLESTON (WV) P&DC
CHARLESTON (WV) P&DC
PITTSBURGH (PA) P&DC
FREDERICK (MD) P&DF
RALEIGH (NC) P&DC
FAYETTEVILLE (NC) P&DC
GREENSBORO (NC) P&DC
CHARLOTTE (NC) P&DC
COLUMBIA (SC) P&DC
TALLAHASSEE (FL) P&DC
MACON (GA) P&DC
MACON (GA) P&DC
JACKSONVILLE (FL) P&DC
PENSACOLA (FL) P&DC
JACKSONVILLE (FL) P&DC
ORLANDO (FL) P&DC
MIAMI (FL) P&DC
TAMPA (FL) P&DC
BIRMINGHAM (AL) P&DC
NASHVILLE (TN) P&DC
KNOXVILLE (TN) P&DC
MEMPHIS (TN) P&DC
JACKSON (MS) P&DC
GULFPORT (MS) P&DC
LEXINGTON (KY) P&DC
LEXINGTON (KY) P&DC
COLUMBUS (OH) P&DC
PITTSBURGH (PA) P&DC
CLEVELAND (OH) PDC
CLEVELAND (OH) PDC
CLEVELAND (OH) PDC
CINCINNATI (OH) P&DC
TOLEDO (OH) P&DC
CHICAGO (IL) P&DC
FORT WAYNE (IN) P&DC
INDIANAPOLIS (IN) P&DC
INDIANAPOLIS (IN) P&DC
INDIANAPOLIS (IN) P&DC
INDIANAPOLIS (IN) P&DC
LOUISVILLE (KY) P&DC
INDIANAPOLIS (IN) P&DC
GRAND RAPIDS (MI) P&DC
SAGINAW (MI) P&DC
DES MOINES (IA) P&DC
DES MOINES (IA) P&DC
CEDAR RAPIDS (IA) P&DF
SIOUX FALLS (SD) P&DC
DES MOINES (IA) P&DC
MILWAUKEE (WI) P&DC
MILWAUKEE (WI) P&DC
SAINT PAUL (MN) P&DC
MILWAUKEE (WI) P&DC
MINNEAPOLIS (MN) P&DC
MINNEAPOLIS (MN) P&DC

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS FRANK NERI
TO INTERROGATORY OF DOUGLAS CARLSON**

GRAND FORKS (ND) MPO	FARGO (ND) P&DC
DAKOTA CENTRAL (SD) P&DF	SIOUX FALLS (SD) P&DC
BISMARCK (ND) P&DF	SIOUX FALLS (SD) P&DC
RAPID CITY (SD) P&DF	SIOUX FALLS (SD) P&DC
BISMARCK (ND) P&DF	FARGO (ND) P&DC
MINOT (ND) MPO	BISMARCK (ND) P&DF
HELENA (MT) MPO	GREAT FALLS (MT) MP ANNEX
BUTTE (MT) MPO	GREAT FALLS (MT) MP ANNEX
KALISPELL (MT) MPO	GREAT FALLS (MT) MP ANNEX
CAROL STREAM (IL) P&DC	PALATINE (IL) P&DC
FOX VALLEY (IL) P&DC	SOUTH SUBURBAN (IL) P&DC
CHAMPAIGN (IL) P&DF	SOUTH SUBURBAN (IL) P&DC
ROCKFORD (IL) P&DC	PALATINE (IL) P&DC
BLOOMINGTON (IL) P&DF	PEORIA (IL) P&DF
CHAMPAIGN (IL) P&DF	SPRINGFIELD (IL) P&DC
QUINCY (IL) AMPC	SAINT LOUIS (MO) P&DC
EFFINGHAM (IL) PO	SAINT LOUIS (MO) P&DC
CENTRALIA (IL) PO	SAINT LOUIS (MO) P&DC
CARBONDALE (IL) PO	SAINT LOUIS (MO) P&DC
CAPE GIRARDEAU (MO) P&DF	SAINT LOUIS (MO) P&DC
MID-MISSOURI (MO) P&DF	SAINT LOUIS (MO) P&DC
SALINA (KS) P&DC	WICHITA (KS) P&DC
HUTCHINSON (KS) MPO	WICHITA (KS) P&DC
LINCOLN (NE) P&DF	OMAHA (NE) P&DC
NORFOLK (NE) P&DF	OMAHA (NE) P&DC
LAFAYETTE (LA) P&DF	BATON ROUGE (LA) P&DC
ALEXANDRIA (LA) PO	SHREVEPORT (LA) P&DC
CAMDEN (AR) PO	LITTLE ROCK (AR) P&DC
TEXARKANA (TX) MPO	EAST TEXAS (TX) P&DC
JONESBORO (AR) P&DC	LITTLE ROCK (AR) P&DC
BATESVILLE (AR) PO	LITTLE ROCK (AR) P&DC
HARRISON (AR) PO	FAYETTEVILLE (AR) P&DF
FORT SMITH (AR) MPO	LITTLE ROCK (AR) P&DC
FORT SMITH (AR) MPO	FAYETTEVILLE (AR) P&DF
LIBERAL (KS) P&DC	WICHITA (KS) P&DC
DURANT (OK) PO	TULSA (OK) P&DC
DALLAS (TX) P&DC	NORTH TEXAS (TX) P&DC
LUFKIN (TX) PO	EAST TEXAS (TX) P&DC
WICHITA FALLS (TX) MP ANNEX	FORT WORTH (TX) P&DC
MIDLAND (TX) P&DC	ABILENE (TX) DISTRIBUTION ANNEX
NORTH HOUSTON (TX) P&DC	HOUSTON (TX) P&DC
BEAUMONT (TX) P&DC	HOUSTON (TX) P&DC
BRYAN (TX) P&DC	HOUSTON (TX) P&DC
AMARILLO (TX) P&DC	LUBBOCK (TX) P&DF
POCATELLO (ID) PO	SALT LAKE CITY (UT) P&DC
TWIN FALLS (ID) MHA	BOISE (ID) P&DC
PROVO (UT) P&DF	SALT LAKE CITY (UT) P&DC
TUCSON (AZ) P&DC	PHOENIX (AZ) P&DC
FLAGSTAFF (AZ) P&DF	PHOENIX (AZ) P&DC
TRUTH OR CONSEQUENCES (NM) PO	ALBUQUERQUE (NM) P&DC
LAS CRUCES (NM) PO	EL PASO (TX) P&DC
CLOVIS (NM) PO	AMARILLO (TX) P&DC
LAS CRUCES (NM) PO	ALBUQUERQUE (NM) P&DC
TUCUMCARI (NM) PO	AMARILLO (TX) P&DC
INDUSTRY (CA) P&DC	SANTA CLARITA (CA) P&DC
INDUSTRY (CA) P&DC	SANTA ANA (CA) P&DC
SAN BERNARDINO (CA) P&DC	M.L. SELLERS (CA) P&DC

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS FRANK NERI
TO INTERROGATORY OF DOUGLAS CARLSON**

OXNARD (CA) P&DF
SANTA BARBARA (CA) P&DC
BAKERSFIELD (CA) P&DC
NORTH BAY (CA) P&DC
SAN JOSE (CA) P&DC
STOCKTON (CA) P&DC
MARYSVILLE (CA) P&DF
SALEM (OR) P&DF
MEDFORD (OR) CSNPF
BEND (OR)
PENDLETON (OR) P&DC
EVERETT (WA) P&DF
TACOMA (WA) P&DC
WENATCHEE (WA) PO
YAKIMA (WA) PO
PASCO (WA) P&DF

SANTA CLARITA (CA) P&DC
SANTA CLARITA (CA) P&DC
SANTA CLARITA (CA) P&DC
SAN FRANCISCO (CA) P&DC
OAKLAND (CA) P&DC
SACRAMENTO (CA) P&DC
SACRAMENTO (CA) P&DC
PORTLAND (OR) P&DC
EUGENE (OR) P&DF
PORTLAND (OR) P&DC
PORTLAND (OR) P&DC
SEATTLE (WA) P&DC
SEATTLE (WA) P&DC
SEATTLE (WA) P&DC
SEATTLE (WA) P&DC
SPOKANE (WA) P&DC

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS FRANK NERI
TO INTERROGATORY OF DOUGLAS CARLSON**

DFC/USPS-T4-8

Approximately which percentage of average weekday volume of single-piece First-Class Mail (including Priority Mail) does the Postal Service process on a typical Saturday?

RESPONSE

Based on recorded volumes for the period of October 17, 2009 through November 6, 2009 (selected as representative of average weeks that exclude holidays), it is estimated that approximately eight percent of the weekly originating outgoing mail is currently processed on a Saturday.