

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Mail Processing Network
Rationalization Service Changes, 2012

Docket No. N2012-1

**FIRST SET OF INTERROGATORIES OF TIME INC.
TO UNITED STATES POSTAL SERVICE
WITNESS NERI (TI-USPS-T4-1-5)
(December 22, 2011)**

Pursuant to sections 25, 26 and 27 of the Rules of Practice and to Order No. 1027 (issued December 7, 2011), Time Inc. directs the following interrogatories to Postal Service witness Neri (USPS-T-4).

If witness Neri is incapable of providing an answer to any question, it is requested that an answer be provided by the Postal Service as an institution or by another person capable of providing an answer.

Respectfully submitted,

s/ _____
John M. Burzio
Timothy L. Keegan

COUNSEL FOR
TIME INC.

Burzio McLaughlin & Keegan
Canal Square, Suite 540
1054 31st Street, N. W.
Washington, D. C. 20007-4403
Telephone: (202) 965-4555
Fax: (202) 965-4432
E-mail:bmklaw@verizon.net
timothy.keegan@verizon.net

FIRST SET OF INTERROGATORIES OF TIME INC. TO WITNESS NERI (USPS-T-4)

TI-USPS-T4-1. Please refer to Figure 5: Current Operating Plan in your testimony. It appears to indicate that the Flat Sequencing Systems (FSS) currently operate only from noon to 6 pm, i.e., only for six hours. Please refer also to Figure 8: Proposed Operating Plan. It appears to indicate that the FSS will operate from midnight to 6 am, again for only six hours.

- a. Please confirm that both figures are wrong with respect to the FSS and indicate the correct actual and proposed FSS operating hours. If you cannot confirm, please explain why the Postal Service would operate these machines for only six hours.
- b. Does the proposed network change include changes in the list of zones designated as FSS zones, or will they remain the same? If they will change, please explain how.
- c. Is the Postal Service planning other changes in the designation of FSS zones, independent of the network changes described in your testimony? If Yes, what changes are planned?
- d. Will the facilities in which the FSS currently are installed remain part of the proposed network? If not, please describe all planned relocations of FSS machines.

TI-USPS-T4-2. Your testimony describes a reduced network with many fewer mail processing facilities than are used today, and how the reduced number of facilities will allow for simplified sorting schemes and reduce the need for secondary sorting schemes.

- a. Will the 21 network distribution centers (NDCs, formerly BMCs) remain part of the network and play the same role as today? If not, please describe all changes planned in the number and role of NDCs.
- b. Periodicals flats mailers currently prepare ADC bundles from pieces left over after making up 3-digit/SCF bundles, and ADC pallets or sacks after making up 3-digit/SCF sacks. In the reduced set of processing facilities that you propose, how many, if any, will be designated as ADCs for the purposes of Periodicals

flats?

- c. Is it reasonable to expect that the proposed reduction in the number of processing facilities will also reduce the need for ADC level distribution of pieces as well as of flats bundles? If no, please explain why not. Please also state whether any cost savings that might result from reduced need for Periodicals ADC distribution have been calculated and included in the present filing. If it has been included, please indicate where.

TI-USPS-T4-3. Many Periodicals flats continue to be sorted manually, particularly in the incoming secondary sort, despite the apparent abundance of automated equipment for sorting today's sharply reduced number of flats. Please comment on whether you believe the consolidation into a network of fewer facilities will help increase automation of the sorting of Periodicals and other flats. If you believe it will lead to increased automation and reduced manual sorting, please quantify the impact to the extent possible. In particular:

- a. In non-FSS zones, approximately what is the probability that a non-carrier route Periodicals flat today will receive incoming secondary sorting on a piece sorting machine capable of reading an intelligent mail barcode (IMB)?
- b. In non-FSS zones, under the modified and reduced network you propose, approximately what will be the probability that a non-carrier route Periodicals flat will receive incoming secondary sorting on a piece sorting machine capable of reading an IMB?
- c. Approximately what percentage of Periodicals flats today carry an IMB?

TI-USPS-T4-4. Your testimony, starting at page 9, describes the various types of machines used to sort parcels in mail processing facilities, e.g. the APPS, the APBS, the SPBS and the LIPS machines.

- a. Please confirm that the machines you describe are also used to distribute bundles of Periodicals and Standard flats. Additionally, please describe the extent to which sorting of flats bundles is performed on each type of these machines and any changes in the use of each type of machine in the reduced network that you propose.
- b. Of the various types of machines used to sort Periodicals and Standard flats

bundles, which ones have the capability to read an IMB on the bundle?

- c. How many APPS, APBS, SPBS and LIPS machines are deployed in postal facilities today, and how many will be deployed in the reduced network that you propose?
- d. Is the Postal Service today contemplating any other type of bundle sorting machine? If yes, please explain fully and state how many such machines would be deployed in the network you propose.
- e. For each type of machine used by the Postal Service to sort flats bundles, approximately what percentage of all ADC, SCF and 3-digit flat bundle sorts does it perform? For example, what percentage of such bundle sorting is performed on APPS machines?
- f. In the modified and reduced processing network you propose, approximately what percentage of all ADC, SCF and 3-digit flats bundles sorts will be performed by each type of bundle sorting machine? For example, what percentage of such bundle sorts will be performed on APPS machines?
- g. For flats bundles to non-FSS zones, approximately what is the probability today that they will be sorted on bundle sorting machines capable of capturing IMB barcodes on the bundles, and what will be the corresponding probability in the reduced and modified network you describe?

TI-USPS-T4-5.

- a. Please confirm that processing facilities that use APPS or APBS machines to sort flats bundles in most cases also use those machines to sort Priority mail.
- b. Please confirm also that Priority and Periodicals/Standard flats bundles normally are not sorted on APPS or APBS machines at the same time. Please explain if unable to confirm.
- c. In a typical mail processing facility today that uses APPS or APBS machines to sort Priority mail as well as Periodicals/Standard flats bundles, what hours of the day are typically set aside for Priority mail and other parcels, and what hours are typically used to sort flats bundles?

- d. In the modified and reduced network that the Postal Service describes in its proposal, typically, what hours of the day will APPS or APBS machines be dedicated to sorting of Priority mail and other parcels, and what hours will typically be available for sorting of Periodicals/Standard flats bundles?