

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

MAIL PROCESSING NETWORK
RATIONALIZATION SERVICE CHANGES,
2011

Docket No. N2012-1

**UNITED STATES POSTAL SERVICE NOTICE OF ERRATA
REGARDING RESPONSES OF WITNESS MEHRA TO QUESTIONS 15(a-k)
OF PRESIDING OFFICER'S INFORMATION REQUEST NO. 1
[ERRATA]**

The United States Postal Service hereby files this notice of errata regarding the December 9, 2012 responses of witness Pritha Mehra to subparts (a-k) of Question 15 of Presiding Officer's Information Request No. 1.

Inadvertently appended in front of the two-page response to Questions 15(a-k) was a two-page draft document from which that response evolved. To eliminate confusion, appended to the instant notice is a corrected version of witness Mehra's responses to subparts (a-k) of Question 15 bearing today's date. This 2-page version filed today supersedes the 4-pages filed yesterday. There are no substantive changes in the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Anthony F. Alverno, Jr.
Chief Counsel, Global Business

Michael T. Tidwell

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2998; Fax -5402
michael.t.tidwell@usps.gov

January 10, 2012

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNES MEHRA TO
PRESIDING OFFICER'S INFORMATION REQUEST NO. 1**

Revised: January 10, 2012

15. On page 4 of her testimony, witness Mehra (USPS-T-7) states, “where practicable, BMEUs will remain in the impacted facility. If this is not feasible, acceptance units will be located within relatively close geographical proximity to the impacted facility and mailers will be allowed to retain their SCF discounts for the foreseeable future for mail entered at the BMEUs.”

a. Please estimate the number of BMEUs that will remain open at impacted facilities.

b. What mail processing, acceptance, and transportation related operations will be necessary at BMEUs that remain open?

c. What equipment will need to remain at impacted facilities that continue BMEU operations?

d. How many employees at BMEUs at impacted facilities will continue to accept mail?

e. Please provide an estimate of the cost of keeping BMEUs open at impacted facilities.

f. Will there be a surcharge to mailers entering mail at an impacted facility?

g. What percent of mail volume does the Postal Service anticipate accepting at impacted facilities?

h. If mail is accepted at an impacted facility will it have the same service standards as mail accepted at an operational facility?

i. What is the timeline to phase out acceptance of mail at impacted facilities?

j. Please provide the workpapers used to determine the transportation costs of keeping BMEUs open at impacted facilities.

k. Please provide the workpapers used to determine the mail processing costs of keeping BMEUs open at impacted facilities.

l. USPS-T-4 at 29, figure 12, includes an estimate of platform operation productivity improvement of 20 percent due to the current proposal. How will the ongoing operation of BMEUs at impacted facilities affect this productivity improvement?

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNES MEHRA TO
PRESIDING OFFICER'S INFORMATION REQUEST NO. 1
Revised: January 10, 2012**

RESPONSE to Question 15 (continued):

- (a) See the response to POIR 1, Question 14. The number of BMEUs that will remain open will be determined based on the completion of numerous facility consolidation studies. Mail acceptance will be maintained at the impacted facility or at a location within proximity of the facility.

Further, the feasibility of BMEU operations at any given location is subject to review over time, as local network processing operations evolve, and as mail entry patterns respond to changes in classifications and prices.

- (b) I am informed that during the MPNR transition, we expect acceptance operations to remain the same as today, except for possible changes to Critical Acceptance Times (CATs). CATs will be based on outbound transportation schedules to the gaining mail processing facilities. We do not project any mail processing related operations to be needed other than some inventory of mail transport equipment (MTE) for customer use.

- (c) We project some inventory of mail transport equipment (MTE) will be required to support mailers who will continue to enter mailings at the BMEU located in the impacted facility or at another location within proximity of the impacted facility.

- (d) Staffing needs for specific BMEUs will be assessed based on changes in customer entry patterns resulting from MPNR.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNES MEHRA TO
PRESIDING OFFICER'S INFORMATION REQUEST NO. 1**

Revised: January 10, 2012

RESPONSE to Question 15 (continued)

- (e) I am not a costing witness, but I am informed that there are no bulk mail entry unit cost estimates or BMEU cost change estimates filed in support of the Request in this docket.
- (f) No surcharges to mailers entering mail at an impacted facility are planned at this time.
- (g) Current annual mail volume being entered through BMEUs at these facilities is approximately 7.4 billion pieces. The changes in this volume can only be estimated after operational changes are implemented and customer entry patterns evolve.
- (h) I am informed by witness Williams that because end-to-end service standards are being defined by the origin plant service area (OPDC/F), the service standards are the same by the manner in which end-to-end service standards are proposed. The Postal Service does expect to establish earlier critical acceptance times at impacted facilities in order to meet the Day 0 Critical Entry Time that will be established at the gaining facility.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNES MEHRA TO
PRESIDING OFFICER'S INFORMATION REQUEST NO. 1**

Revised: January 10, 2012

RESPONSE to Question 15 (continued)

- (i) Mail acceptance will be maintained at the impacted facility or at a location within proximity of the facility. The feasibility of BMEU operations at any given location is subject to review over time, as local network processing operations evolve, and as mail entry patterns respond to changes in classifications and prices. Please see the response to POIR 1, Questions 15(a-c).
- (j) I am informed that the testimony of witness Bradley does not consider BMEUs when calculating transportation cost savings.
- (k) Please see the response to subpart (e).
- (l) [Redirected to witness Neri for response.]