

Before the  
POSTAL REGULATORY COMMISSION  
Washington, DC 20268-0001

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Mail Processing Network Rationalization	)	Docket No. N2012-1
Service Changes, 2012	)	

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NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORIES TO USPS  
WITNESS STEPHEN MASSE  
(NPMHU-USPS – T2-1-9)

Pursuant to Rules 25 through 28 of the Commission’s Rules of Practice and Procedure, the National Postal Mail Handlers Union (“NPMHU”) hereby submits the following interrogatories to USPS witness Stephen Masse. If the witness is unable to respond to any interrogatory, please redirect the interrogatory to a more appropriate USPS witness.

**Instructions and Definitions**

“USPS” or “Postal Service” means the United States Postal Service, its employees, agents, witnesses, and all other persons who act under the direction of the United States Postal Service, including but not limited to consultants and other independent contractors.

“Mail Processing Network Rationalization Service Changes, 2012” (MPNR) or means the proposed restructuring of the USPS’s mail distribution and transportation

network presented to the PRC in its December 5, 2010 “Request of the United States Postal Service for an Advisory Opinion on Changes in the Nature of Postal Services.”

“MNPR Network” means the mail distribution and transportation network required to implement the USPS’ MNPR and that, inter alia, accommodates the USPS’s elimination of 252 mail processing facilities.

“Documents” has the meaning as ascribed within the federal Rules of Civil Procedure and includes any documents or things that constitute or contain matters that are relevant to the subject matter of this proceeding and that are in the custody or control of the USPS.

“Losing facility” is defined and used herein in the same manner as it is defined and used in Section 1-1.2 of the PO-408 handbook.

“Gaining facility” is defined and used herein in the same manner as it is defined and used in Section 1-1.2 of the PO-408 handbook. The term document has the same meaning as ascribed within the federal Rules of Civil Procedure.

The term “person” means any natural person, corporation, partnership, proprietorship, association, organization or group of natural individuals.

The term “identify,” when used with regard to a person means to provide the full name, position, address and telephone number of the person.

The term “identify,” when used with regard to a document means to describe the subject matter of the document, its author, its date and any addressee.

## Interrogatories

NPMHU/USPS – T2-1      Please identify the “numerous supplier contracts” (USPS-T-2, at 8) renegotiated by the USPS and the magnitude of savings for the USPS, if any, that were the result of those renegotiations.

NPMHU/ USPS – T2-2      Please explain why, in calculating the growth in mail volume necessary to equal the cost-savings the USPS would allegedly reap from the MNPR, you use the figure \$2.6 billion (USPS-T-2, at 9), instead of using the *net* cost-savings that is identified elsewhere in your testimony as \$2.1 billion (USPS-T-2, at 12).

NPMHU/ USPS – T2-3      Please provide the calculations you or the USPS made, including any worksheets or supporting documents, in determining that “[t]o create a substitute for the \$2.6 billion in cost savings that will be generated by the service change initiative under review in this docket would require growth equivalent to more than 11 billion pieces of First-Class Mail.” (USPS-T-2, at 9).

NPMHU/ USPS – T2-4      What increase in mail rates would be required to offset the decline in mail volume discussed on pages 9 to 10 of your testimony?

NPMHU/ USPS – T2-5      Has the Postal Service made any estimates of what effect an increase in mail rates to offset the decrease in mail volume would have on Postal Service market share? If so, what are those estimates?

NPMHU/ USPS – T2-6 Please confirm that, by subtracting \$0.5 billion instead of \$1.3 billion from USPS' estimated annualized cost-savings of \$2.6 billion (USPS-T-2, at 11-12), you are agreeing with the testimony of witness Whiteman (USPS-T-12) whose research predicted that, as a result of the MNPR, the USPS will process approximately 2.9 billion fewer pieces of mail and will therefore not incur \$841 million in costs associated with handling, processing, and delivering that quantity of mail.

NPMHU/ USPS – T2-7 Please identify the reasons why “additional consolidations may become necessary in the future.” (USPS-T-2, at 11)

NPMHU/ USPS – T2-8 Please state whether the USPS considers “additional consolidations” in the USPS network, in addition to those contemplated in the MNPR, foreseeable and/or likely within the five years.

NPMHU- USPS – T2-9 On page 7 of your testimony, you state that since 2006, the Postal Service has eliminated 21% of the 2006 total workhours, while page 6 of your testimony indicates that mail volume has similarly decreased 21% from 2006 to 2011. Please compare anticipated mail volume reductions to planned workhour reductions over the next five years, if the Postal Service moves forward with its proposal, breaking those numbers down by year.

Respectfully submitted,

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