

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

MAIL PROCESSING NETWORK RATIONALIZATION
SERVICE CHANGES, 2011

Docket No. N2012-1

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO NATIONAL POSTAL MAIL HANDLERS UNION INTERROGATORY
NPMHU/USPS-T7-1 REDIRECTED FROM WITNESS PRITHA MEHRA
(January 25, 2012)**

The United States Postal Service hereby files an institutional response to the above-identified interrogatory of the National Postal Mail Handlers Union, dated January 11, 2012. The interrogatory has been redirected from witness Mehra to the Postal Service for response. The interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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

Michael T. Tidwell
Caroline R. Brownlie
Attorneys

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2998; Fax -5402
January 25, 2012

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO NPMHU INTERROGATORY REDIRECTED FROM WITNESS MEHRA**

1. **NPMHU/USPS – T7-1** On page 4 of your testimony, you state that “[w]here 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 . . .”
- (a) Where it is not feasible to retain the BMEU in the impacted facility, has the Postal Service developed a plan for where the acceptance units will be located, and, if so, what is that plan?
 - (b) What are the anticipated costs of opening and operating BMEUs at locations outside the impacted facility?
 - (c) What staffing will be required to operate BMEUs at locations outside the impacted facility?
 - (d) Is it possible that the USPS will need to open or lease a location in which to locate an acceptance unit “within relatively close geographical proximity to the impacted facility”?
 - (e) If the answer to (d) is yes, has the Postal Service made any estimate of the number of new facilities that will be required, and the costs of opening and acquiring such facilities?
 - (f) Please confirm that estimated costs of maintaining BMEUs in either the impacted facility, or in another location in “relatively close geographical proximity to the impacted facility” have not been accounted for in the \$2.1 billion savings projected by witness Bradley.
 - (g) If (f) is not confirmed, please identify where these costs are accounted for, by specific citation to testimony or library reference.

RESPONSE:

- (a) The Postal Service will assess alternate locations for such acceptance units on a case-by-case basis, taking into account available local postal facilities and changes in customer entry patterns resulting from MPNR. Further, see the response to POIR No. 1, Question 15(a): 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.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO NPMHU INTERROGATORY REDIRECTED FROM WITNESS MEHRA**

RESPONSE to NPMHU/USPS- T7-1 (continued)

(b) The Postal Service does not expect significant change to operating costs associated with maintaining customer access to BMEUs at, or in proximity to, impacted plants. This is because the Postal Service expects that when relocation is necessary, such relocation will be to existing postal facilities in close proximity to the impacted facilities. Further, see the response to POIR No. 1, Question 15(e): there are no bulk mail entry unit cost estimates or BMEU cost change estimates filed in support of the Request in this docket.

(c) See the response to POIR No. 1, Question 15(d): Staffing needs for specific BMEUs will be assessed based on changes in customer entry patterns resulting from MPNR.

(d) The Postal Service is not considering opening or leasing locations to relocate BMEUs.

(e) N/A.

(f) Confirmed. The estimated costs of maintaining BMEUs in either the impacted facility or in another location are not included in the savings projected by witness Bradley. This is because there are no bulk mail entry unit cost estimates or BMEU cost change estimates filed in support of the Request in this docket. See the response to POIR No. 1, Question 15(e).

(g) N/A.