

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

MAIL PROCESSING NETWORK
RATIONALIZATION SERVICE CHANGES, 2012

Docket No. N2012-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SMITH
TO NPMHU INTERROGATORY NPMHU/USPS-T4-19,
REDIRECTED FROM WITNESS NERI
(March 6, 2012)

The United States Postal Service hereby provides the response of witness Marc Smith to the above-listed interrogatory of the National Postal Mail Handlers Union, redirected from witness Frank Neri. The interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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

Nabeel R. Cheema

475 L'Enfant Plaza, S.W.
Washington, D.C. 20260-1137
(202) 268-7178; Fax -5402
March 6, 2012

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NPMHU/USPS-T4-19

Referring to Library Reference 48:

(a) please explain what “operation”, “fhp”, “tph”, “nonaddtp”, “tpf”, and “hours” mean.

(b) Please explain how the data in this spreadsheet can be used to calculate productivity variances across or between mail processing plants, as you stated in your response to NPMHU/USPS-T4-17(b).

RESPONSE:

a. The explanations of these MODS or Management Operating Data System data are as follows:

operation – 3-digit MODS operation designates uniquely defined activities (operations) performed in Post Offices. For a list of these operations and their descriptions for FY2010, see Docket No. ACR 2010, USPS-FY10-44, filed February 28, 2011.

fhp – MODS First-Handling Pieces (FHP). A first handling piece is the initial distribution of a letter, flat, or parcel received in a Postal Service facility. Each mailpiece distributed in an office receives one and only one FHP count. The FHP for a distribution operation is the volume of mail receiving its initial sortation at a facility.

tpf – MODS Total Pieces Fed (TPF). TPF is the number of pieces inducted at the front of mechanization or automation equipment. This count includes rejects, reworks, re-feed, etc. There is no TPF number for manual operations.

tph – MODS Total Pieces Handled (TPH). TPH is a count of successfully sorted

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pieces on automated equipment, and total processing volume in manual operations (where TPF is not measured). For mechanized and automated operations, TPH is calculated by subtracting the number of rejected mailpieces from the TPF.

nonaddtph – MODS Non-Add TPH is the TPH count in non-distribution operations (e.g., bundle sorts on APPS or SPBS, or allied operations for which counts are obtained). While such volumes are computed as TPH, they are not added to the bottom line for mail processing distribution — thus, the name non-add total pieces handled (NA TPH).

hours – MODS workhours for each 3-digit operation are the total hours worked in that operation taken from clock ring data from several Postal Service systems – usually from the Time and Attendance Collection System (TACS).

- b. The PRC decision, at page 45, showing a table based on a GAO analysis, titled “Productivity (Total Pieces of Mail Processed per Hour) at Small, Medium and Large P&DCs for FY2004,” is presumably the productivity data that NPMHU/USPS-T4-17(b) sought to be updated. There is no detailed description of these calculations. I can only surmise, based on the title, that it would appear that one could calculate an annual productivity for each plant using total TPH (or another workload measure) divided by total hours for some portion or all operations. The data for such calculations are contained in USPS-LR-N2012-1/48.

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Please note that comparing such aggregate productivities across plants, given the different mix of distribution and allied (or non-distribution) work each plant performs, is not necessarily indicative of relative efficiency. I would not recommend this approach and so I have not considered specifically how to do it.