

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 RESPONSE
TO AMERICAN POSTAL WORKERS UNION INTERROGATORIES
(APWU/USPS—10(a&c) AND 11)
(March 29, 2012)**

The United States Postal Service today files its institutional responses to the above-identified interrogatories of the American Postal Workers Union, AFL-CIO, dated February 13, 2012. Each interrogatory is stated verbatim and followed by the response. The response to interrogatory APWU/USPS-10(b) is forthcoming.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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**INSTITUTIONAL RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO AMERICAN POSTAL WORKERS UNION INTERROGATORY**

APWU/USPS-10 The Hattiesburg MS CSMPC is on the September list of locations being studied for consolidation. On the USPS website (<http://about.usps.com/streamlining-operations/area-mail-processing.htm#h>) there are two AMP feasibility studies related to the Hattiesburg site. One is dated June 28, 2011 evaluating a transfer from Hattiesburg to Gulfport with an estimated savings of \$660,507 and only 5.92% of its First Class Mail volume being downgraded from overnight to 2-day. The second study, dated October 31, 2011, shows savings of \$2.2 million with all First Class Service showing 2-3 day service (but no indication as to what percent is an actual downgrade.) Each is attached for your reference.

a) What percentage of First Class mail in the October 31 study is actually being downgraded from overnight to 2-day.

c) What other differences in the assumption underlying these two AMPs account for the difference in the cost savings?

RESPONSE:

a) The later study (October 31) examined the consolidation under the concept of a relaxation of overnight service standards as presented in this case. The response to this interrogatory part will depend on the content of the final rule.

c) The primary difference in the calculations of these two AMPs is related to the relaxation of overnight service standards. This service standard change would allow a change in the operating plan resulting in increased mail processing savings arising from a reduced equipment set and a reduction in transportation.

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APWU/USPS-11 In her response to NPMHU/USPS-T6-5 witness Martin indicated that the AMP decisions were scheduled to be finalized by mid to late February 2012. However, there are several sites on the September 2011 list of sites to be studied for which there do not appear to have been any public meetings conducted. Are those sites no longer being studied?

RESPONSE:

As of March 2012, there are six Area Mail Processing studies currently underway: Brockton, Massachusetts; Manasota, Florida; Kalispell, Montana; Easton, Maryland; Rockford, Illinois; and Atlanta, Georgia (originating only). All other studies were approved, disapproved, or halted and announced on February 23, 2012. The Postal Service will continue to evaluate facilities for potential consolidation and make all appropriate notifications.