

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

Docket No. N2012-1

MAIL PROCESSING NETWORK
RATIONALIZATION SERVICE CHANGES, 2011

**NPMHU RESPONSES TO UNITED STATES POSTAL SERVICE FIRST SET OF
INTERROGATORIES AND REQUESTS FOR PRODUCTION TO
NATIONAL POSTAL MAIL HANDLERS UNION WITNESS WILKIN
(USPS/NPMHU-T5-1—7)
(June 6, 2012)**

The NPMHU submits the following responses to the United States Postal Service's interrogatories and requests for production to National Postal Mail Handlers Union witness David Wilkin (NPMHU-T-5-1-7), filed May 23, 2012. Each interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

Patrick T. Johnson
As agent for and authorized by
/s/ Kathleen M. Keller
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Union*

June 6, 2012

RESPONSES OF NPMHU WITNESS WILKIN TO POSTAL SERVICE
INTERROGATORIES

USPS/NPMHU-T5-1: On page 2, lines 20 through 22 of your testimony, you state that “[a]dditional mail would be added to Rochester from the Erie consolidation. This is an enormous increase in Rochester’s daily volume, and will likely result in further delays in the mail.”

- a. Please confirm whether this statement assumes operation in the current network with current service standards.
- b. If your statement does not assume the current network and current service standards, please identify the environment that you are describing in your statement?
- c. Please produce any documents or data that you relied upon in support of your statement.

RESPONSE:

(a) Not confirmed.

(b) Such a large increase in mail volume being processed in Rochester will increase the likelihood of mail delays even with the relaxed service standards proposed by the Postal Service.

(c) I relied on the data contained in the AMPs referenced in my testimony, and the historical and current cancellation data for Erie, Buffalo and Rochester provided to me by Postal management (attached to my responses as Attachment 1).

RESPONSES OF NPMHU WITNESS WILKIN
TO POSTAL SERVICE INTERROGATORIES

USPS/NPMHU-T5-2: On page 2, lines 22 through 24 of your testimony, you state that “[t]he Rochester P&DC may be able to take on this mail, but, if there is any large influx of mail, the facility would be hard-pressed to get the mail out in a timely period.”

- a. Please confirm whether this statement assumes operation in the current network with current service standards.
- b. If your statement does not assume the current network and current service standards, please identify the environment that you are describing in your statement?
- c. Please state in terms of a percentage of current Rochester mail volume, the smallest increase that you would characterize as "large."
- d. Please define “timely period.”
- e. Please produce any documents or data that you relied upon in support of your analysis of Rochester P&DC's mail processing capacity, and identify and explain the specific portions that support your concern about the timely processing of a large influx of mail.

RESPONSE:

(a) Not confirmed.

(b) Such a large increase in mail volume being processed in Rochester will increase the difficulty of getting mail out on time even with the relaxed service standards proposed by the Postal Service.

(c) I am not able to quantify how much of an increase in mail would tip the Rochester P&DC past the breaking point. However, the Buffalo and Erie consolidations, taken together, would result in more than doubling the mail volume being processed in Rochester. On an average or light mail day and given the proposed relaxed service standards, Rochester may be able to handle this volume. However, it is my opinion that, given this very large volume increase, Rochester is likely to have difficulties on heavy volume days. Due to the poor economy, we have seen lighter than usual volumes, as, for

RESPONSES OF NPMHU WITNESS WILKIN
TO POSTAL SERVICE INTERROGATORIES

instance, people decide not to send holiday cards in order to save money. When the economy improves, some of this discretionary mailing may return, which will increase the risk that Rochester will not be able to handle this volume. In addition, winter weather often slows the mail delivery to Rochester; when the roads clear, a lot of mail volume arrives in a short time, requiring a lot of overtime to clear the mail. With the addition of the volume from Erie and Buffalo, it will be even more difficult to clear the mail volume following winter road closures.

(d) "Timely period" means within time to comply with applicable service standards.

(e) I relied upon the data in the AMPs cited in my testimony, and particularly the portions of those AMPs that contained the mail volumes for each facility. I also relied upon the historical cancellation data for these facilities (Attachment 1).

RESPONSES OF NPMHU WITNESS WILKIN
TO POSTAL SERVICE INTERROGATORIES

UNITED STATES POSTAL SERVICE INTERROGATORIES AND REQUESTS FOR
PRODUCTION TO NPMHU WITNESS WILKIN

USPS/NPMHU-T5-3: On page 3, lines 1 through 3 of your testimony, you state that you are “concerned that the Postal Service’s plan will leave the processing network with insufficient redundancy to handle unexpected increases in mail volume, or issues affecting one facility’s ability to process the mail.”

- a. Please state whether it is your understanding that when evaluating the ability of facilities to handle anticipated mail volume, the Postal Service assumes the planned volumes from the 95 percent peak day in 2010.
- b. If your answer to subpart (a) is anything other than an unqualified confirmation, please explain.
- c. If mail volumes continue to decline over the next decade, as projected by witness Masse (USPS-T-2), do you agree, all else equal, that this decline would decrease the need for redundant mail processing capacity in the future?
- d. If you do not agree with the statement in subpart (b), please explain.

RESPONSE:

(a) Confirmed.

(b) Not applicable.

(c) I agree that declining mail volumes will decrease, but not eliminate, the need for redundancy in the mail processing network.

(d) Not applicable.

RESPONSES OF NPMHU WITNESS WILKIN
TO POSTAL SERVICE INTERROGATORIES

USPS/NPMHU-T5-4: On page 3, lines 3 through 4 of your testimony, you state that “[i]n the past, the Postal Service would use the Buffalo facility to cover Rochester as needed, and vice versa.”

- a. Please confirm whether this statement assumes operation in the current network with current service standards.
- b. If your statement does not assume the current network with current service standards, please identify the environment that you are describing in your statement?
- c. Please describe the arrangements identified in the statement in greater detail, taking care to explain your understanding of their duration, the underlying (emergency or non-emergency) reasons for employing such arrangements, the mail operations involved in particular instances, the mail classes involved, the impacts on service performance, and years and seasons in which such arrangements have occurred since the year 2005.

RESPONSE:

(a) This statement does not assume anything – as stated, it reflects what has occurred in the past.

(b) Not applicable.

(c) I did not compile a contemporaneous record of this cross-coverage, and therefore I am not able to provide a listing of all the times that it occurred.

Some of the reasons that this cross-coverage has occurred include problems with machines, large volumes of mail, and weather problems. I do not know the impact on service performance, but I would imagine that this cross-coverage was used to try to avoid negative impact on service performance.

RESPONSES OF NPMHU WITNESS WILKIN
TO POSTAL SERVICE INTERROGATORIES

USPS/NPMHU-T5-5: On page 3, lines 8 through 12, you state:

However, on even a very basic review, some of the cost estimates contained in the Buffalo AMP are plainly unsupportable. For instance, the AMP budgets only \$748,000 for employee relocation (page 43), yet the AMP also stated that 404 craft employees will need to be added in Rochester, as well as 24 management positions (pages 33, 34).

Please state your understanding of whether the AMP study assumes that all identified employees will be relocated, rather than hired locally.

RESPONSE:

I do not know what the AMP study assumes in this respect. However, my understanding and assumption is that the Postal Service will comply with the requirements of the applicable collective bargaining agreements, including Article 12 of the Agreement with the NPMHU and the Agreement with the APWU providing for relocation of employees excessed out of facilities. Further, my understanding, based on the AMP from Buffalo is that 586 craft employees, including 249 Function 1 Mail Handlers and 261 Function 1 Clerks, will be excessed out of Buffalo.

RESPONSES OF NPMHU WITNESS WILKIN
TO POSTAL SERVICE INTERROGATORIES

USPS/NPMHU-T5-6: On page 3, lines 18 through 20 of your testimony, you state that “[g]iven the poor economic climate in the Buffalo area, I believe many are likely to resist voluntary retirement. As a result, these savings are not likely to materialize fully.”

- a. Please state your understanding of the likelihood or possibility that the relevant employees may be given other assignments and that non-career employees can be released.
- b. Please furnish all documents that support your claim.

RESPONSE:

- (a) It is my understanding that career employees may be relocated, in accordance with the terms of the applicable collective bargaining agreement, but that this will result in relocation costs for the Postal Service, and will not result in labor cost savings. As stated in the Buffalo AMP, there are currently no Function 4 Mail Handlers or Clerks working at the Buffalo P&DC.
- (b) There are many news reports supporting the assertion that Buffalo has a very poor economic climate. Attached as Attachment 2 are several articles as a sampling.

RESPONSES OF NPMHU WITNESS WILKIN
TO POSTAL SERVICE INTERROGATORIES

USPS/NPMHU-T5-7: On page 4, lines 3 through 5, you state that “[i]n my experience and based on my observations of the processing facilities in my Local, any idle time has already been eliminated through prior Postal efforts.” Please describe, in detail, your experience, education, or training related to assessment of the consolidation of postal facilities, including, but not limited to, your experience, education, or training to support your statement and produce any documents or data that you relied upon in support of your statement regarding "prior Postal efforts" that have reduced idle time at processing facilities in your Local.

RESPONSE:

My experience and training are set forth in the first paragraph of my testimony. My testimony in this area is based on my many years of experience as a Mail Handler and my many years of representing Mail Handlers in the facilities mentioned in my testimony. I do not have any formal training in the technical areas referenced in the question, but I have lived through a number of consolidations and other Postal initiatives to increase efficiency and reduce the size of the Postal workforce. I did not rely on any particular documents or data in support of the quoted statement, other than my familiarity with the significant decrease in Mail Handler staffing that has occurred over my years with the Postal Service, and the Postal Service's current staffing levels.

Attachment 1

Erie 16515 Cancellations (no Saturday Cancellations)

	2009	2010	2011	2012	Avg
January	3,750,724	3,332,928	3,451,229	3,220,398	3,438,820
February	3,573,400	3,327,830	3,144,609	3,109,736	3,288,894
March	3,898,189	4,067,268	3,545,466	3,144,949	3,663,968
April	3,922,774	3,661,650	3,401,196	3,245,538	3,555,290
May	3,512,787	3,213,252	3,236,212		3,320,750
June	3,708,863	3,513,517	3,333,569		3,518,683
July	3,763,912	3,419,907	3,086,554		3,424,124
August	3,401,466	3,397,077	3,391,628		3,396,724
September	3,475,506	3,272,761	3,186,898		3,311,722
October	3,543,157	3,326,193	3,155,392		3,341,581
November	3,321,356	3,364,270	3,045,346		3,243,657
December	5,978,920	6,145,738	5,502,641		5,875,766
Year Total	45,851,154	44,032,391	41,482,740	12,720,621	43,379,978

Rochester Historical Cancellation Volumes

	Month	Monthly Cancellation Volume	Yearly Cancellation Volume	
2012	May (to date)	6,341,691	39,321,947	
	April	8,013,044		
	March	8,478,924		
	February	7,848,300		
	January	8,641,988		
2011	December	15,104,398	109,994,859	Difference from 2010 -8,715,077 -7.34%
	November	8,095,612		
	October	8,583,116		
	September	8,178,867		
	August	8,368,975		
	July	8,273,504		
	June	8,912,419		
	May	8,733,074		
	April	9,312,980		
	March	9,057,360		
	February	8,199,846		
	January	9,174,708		
2010	December	15,690,848	118,709,938	Difference from 2009 -9,148,329 -7.18%
	November	8,967,090		
	October	9,180,118		
	September	8,910,225		
	August	8,839,157		
	July	9,216,876		
	June	9,660,167		
	May	9,271,544		
	April	9,551,486		
	March	10,629,696		
	February	8,903,368		
	January	9,889,361		
2009	December	16,853,491	127,858,265	Difference from 2008 -16,527,411 -11.45%
	November	9,229,433		
	October	10,003,950		
	September	9,460,743		
	August	9,461,023		
	July	9,783,479		
	June	10,200,356		
	May	10,143,470		
	April	10,391,217		
	March	10,637,953		
	February	10,160,957		
	January	11,532,193		
2008	December	18,229,622	144,385,676	
	November	10,437,201		
	October	11,648,371		
	September	11,072,368		
	August	10,986,727		
	July	11,222,522		
	June	11,306,919		
	May	11,895,754		
	April	11,724,420		
	March	12,064,581		
	February	11,315,842		
	January	12,481,349		

From: Mazurkiewicz, Anthony J - Buffalo, NY, NY <anthony.j.mazurkiewicz@usps.gov>
To: lisamc309 <lisamc309@aol.com>; Wilkin, Dave <L309WILK@AOL.COM>
Subject: FW: Cancellations for Buffalo Plant
Date: Tue, 5 Jun 2012 4:26 pm
Attachments: cancellations_by_month.xls (29K)

The file is attached. February of 2012 has an extra day due to Leap Year. Some individual months are higher because there were more cancellation days (Monday through Friday) than the previous year.

Anthony Mazurkiewicz
Manager of In Plant Support
Work (716) 846-2515
Cell (716) 818-2913

From: Stachowski, Maryann - Buffalo, NY
Sent: Friday, June 01, 2012 3:57 PM
To: Mazurkiewicz, Anthony J - Buffalo, NY
Subject: cancellations

	Jan	Feb	Mar	April	May	June	July	Aug
2009							8,385,745	8,161,695
2010	7,928,457	7,795,095	9,535,606	8,209,020	7,494,052	8,398,726	7,738,139	7,927,274
2011	7,721,839	6,834,807	7,657,505	7,503,837	7,375,680	7,594,633	6,865,570	7,869,693
2012	7,784,272	7,123,498	7,331,202	7,521,758	7,817,906			

Sept	Oct	Nov	Dec	Total	Difference	
7,985,166	8,218,934	7,847,486	16,682,224			
7,782,988	7,562,892	7,682,129	15,771,176	103,825,554		
7,486,517	7,567,681	7,695,751	15,315,256	97,488,769	-6,336,785	-6.10%

Attachment 2

From the Business First

<http://www.bizjournals.com/buffalo/news/2012/02/07/buffalo-among-87-markets-still-below.html>

Buffalo among 87 major markets still below pre-recession job levels

Business First by G. Scott Thomas, Projects Editor

Date: Tuesday, February 7, 2012, 8:45am EST

Related:

[Economic Snapshot](#)

[G. Scott Thomas](#)

Projects Editor - Business First

[Email](#)

Thirteen of the nation's 100 biggest labor markets have regained all of the jobs that slipped away during the recession. The other 87 -- including Buffalo and Rochester -- are still fighting to break even.

That's according to a [new On Numbers study](#) that was released Tuesday morning.

On Numbers used preliminary U.S. Bureau of Labor Statistics data to estimate 2011 private-sector employment levels for all 100 markets. Those estimates were then compared against the official figures for 2006, the last full year before the recession's onset.

[Click here for a database with job counts for all 100 metros.](#)

Houston was the most prosperous metro over the five-year span. It had 2.10 million private-sector jobs in 2006, a base that expanded to an estimated annual average of 2.21 million in 2011. The resulting gain: 109,700 jobs.

Just four other markets -- three of them in Texas -- added more than 25,000 private-sector jobs between 2006 and 2011: New Orleans (up 39,400), Austin (up 37,900), Dallas-Fort Worth (up 36,000) and San Antonio (up 25,200).

Rochester is still 2,300 private-sector jobs below its pre-recession level. And Buffalo is 6,100 jobs under its 2006 figure.

But conditions are much worse elsewhere. Ten metros are still at least 100,000 jobs below their 2006 levels.

The biggest private-sector deficit exists in Los Angeles, which had 432,000 fewer jobs last year than in 2006. Also on the negative side are Chicago (down 238,800 jobs), Detroit (down 217,700), Miami-Fort Lauderdale (down 182,900) and Phoenix (down 181,400).

The database also translates these five-year changes into percentages, with New Orleans registering the biggest gain (up 9.70 percent) and Cape Coral-Fort Myers, Fla., suffering the largest drop (down 19.46 percent).

On Numbers is an online service of American City Business Journals Inc., the parent company of Business First.

G. Scott Thomas is Buffalo Business First's projects editor

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Buffalo area loses 10k manufacturing jobs to recession - Buffalo - Business First

From the Business First

[:http://www.bizjournals.com/buffalo/blog/morning_roundup/2011/11/buffalo-area-loses-10k-manufacturing.html](http://www.bizjournals.com/buffalo/blog/morning_roundup/2011/11/buffalo-area-loses-10k-manufacturing.html)

Buffalo area loses 10K manufacturing jobs to recession

Business First

Date: Thursday, November 10, 2011, 7:43am EST

The recession officially arrived in late 2007, but the manufacturing sector has endured recessionary conditions for much longer than that.

U.S. manufacturing employment dropped every single year between 1997 and 2009, resulting in a net loss of nearly 6 million jobs. A weak recovery during the past two years has restored a tiny fraction of those positions, just 231,000 in all.

The Buffalo area has not been immune to this trend. It has lost 10,400 manufacturing jobs during the past four years alone, a decline of 17.4 percent, [according to a new study by On Numbers](#).

Ninety-nine of the nation's top 100 markets have suffered net declines in manufacturing employment since the beginning of the recession. The only gainer is Modesto, Calif., with a small pickup of 300 manufacturing positions since 2007.

Four markets have lost more than 50,000 manufacturing jobs since the onset of the recession: Los Angeles (down 101,600), New York City (down 87,900), Chicago (down 75,700) and Detroit (down 57,900).

Eight metros have seen more than one-quarter of their manufacturing bases disappear since 2007. The biggest drops were 38.1 percent in Cape Coral-Fort Myers, Fla., and 31.5 percent in Las Vegas.

[On Numbers](#) is an online service of American City Business Journals Inc., the parent company of Business First.

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Figures show Buffalo remains third-poorest

Published: September 30, 2009, 6:56 AM

0 Comments

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Updated: August 21, 2010, 2:15 AM

Buffalo remains one of the poorest cities in the United States, with close to a third of city residents living in poverty, federal figures released Tuesday show.

An estimated 30.3 percent of residents in Buffalo are poor, the third highest poverty rate in the nation among cities with more than 250,000 people, according to the new statistics from the Census Bureau.

It's no surprise. Buffalo was in the same position when poverty estimates were released last year.

Detroit has the highest poverty rate— 33.3 percent—followed by Cleveland, although its poverty rate of 30.4 percent statistically isn't any worse than Buffalo's. The other cities near the top of this dubious list include: Newark; Miami; Fresno, Calif.; Cincinnati; Toledo, Ohio; El Paso, Texas; Philadelphia; Milwaukee; Memphis and St. Louis.

Comments

****Comments are not allowed on this story.**

From the Business First

<http://www.bizjournals.com/buffalo/news/2010/12/14/buffalo-ranks-seventh-in-vacancies.html>

New Orleans has worst housing vacancy rate; Buffalo is seventh-worst

Business First by G. Scott Thomas

Date: Tuesday, December 14, 2010, 1:18pm EST

Related:

Residential Real Estate

The City of Buffalo has the seventh-worst housing vacancy rate among America's major cities, according to figures released Tuesday by the U.S. Census Bureau.

The same federal study shows that Buffalo has the oldest and most inexpensive housing stock among the 81 U.S. cities with at least 100,000 homes. AdChoices

An estimated 25,060 housing units in Buffalo are unoccupied, yielding a vacancy rate of 17.2 percent. The city has a total of 145,700 units, including free-standing homes, duplexes and apartments.

New Orleans (at 21.5 percent) is saddled with the worst vacancy rate in the study group. The other cities that have worse rates than Buffalo are St. Louis, Detroit, Cincinnati, Baltimore, and Cleveland.

[Click here for a database with detailed housing statistics for 9,975 American cities.](#)

The Census Bureau released the results of its five-year American Community Survey (ACS) on Tuesday. The study, which was based on 3 million surveys conducted between January 2005 and December 2009, is designed to provide up-to-date statistics for every community across the country.

Business First used raw data from the ACS to calculate vacancy rates for every incorporated city that has at least 1,000 housing units. Vacant units are defined as potential dwellings that are unoccupied, are not designed for seasonal use (such as vacation homes) and are not involved in current real-estate transactions (either renting or selling).

San Jose has the lowest vacancy rate among the major cities that have at least 100,000 units. Just 3.3 percent of its dwellings are unoccupied. Virginia Beach is the next-lowest at 3.7 percent. AdChoices

Among the other housing-related facts reported by the American Community Survey:

- Buffalo has the oldest housing stock among the 81 major cities, with 87.7 percent of its homes having been built more than 50 years ago. Detroit is the runner-up at 84.1 percent.

The only other cities above 80 percent are Cleveland and St. Louis.

- Henderson, Nev., is the major city that has seen the greatest construction activity in recent years, with 9.3 percent of its homes having been built since 2005. It's followed by Fort Worth, Texas, at 7.6 percent.

- Buffalo has the cheapest housing of any major city. The median value of an owner-occupied home in Buffalo is \$65,200. Rochester comes next at \$71,800, followed by Pittsburgh at \$83,100.

- San Francisco has the costliest housing in the same group of 81 cities, with a median value of \$781,500. Next are San Jose at \$645,700 and Honolulu at \$574,000.

From the Business First

http://www.bizjournals.com/buffalo/blog/morning_roundup/2012/05/buffalo-area-loses-34-people-per-day.html

Buffalo area loses 3.4 people per day

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Business First by G. Scott Thomas, Projects Editor

Date: Tuesday, May 29, 2012, 7:10am EDT

G. Scott Thomas

Projects Editor- Business First

[Email](#)

The Buffalo metropolitan area is losing 3.4 persons per day, according to a report posted Tuesday morning by On Numbers.

The combined population of Erie and Niagara counties declined by 1,254 between July 1, 2010, and the same date last year, based on newly released population estimates from the U.S. Census Bureau. That works out to a daily decline of 3.4.

On Numbers is an online service of American City Business Journals Inc., the parent company of Business First. It used census estimates to generate daily growth rates for the nation's 366 metros.

Dallas-Fort Worth adds another person every four minutes and 10 seconds, making it the fastest-growing metropolitan area in America.

Dallas-Fort Worth gained 126,037 residents between mid-2010 and mid-2011. That equals an increase of 345.3 persons per day, or one person every four minutes and 10 seconds.

Houston ranks second with a daily population gain of 301.6 persons. Rounding out the top five are Los Angeles (up 275.2 persons per day), New York City (up 263.7) and Washington (up 259.7).

Fifteen metropolitan areas added at least 100 persons per day between mid-2010 and mid-2011. Nearly 82 percent of all metros -- 299 of 366 -- registered population increases of any size.

The Cleveland area was the biggest loser, suffering a daily decline of 19.9 persons. Next were two Michigan markets: Detroit (down 13.4 persons per day) and Flint (down 8.3 persons).

[Click here for a database that contains the Census Bureau's latest population estimates for all 366 metro areas, along with daily growth rates calculated by On Numbers.](#)

G. Scott Thomas is Buffalo Business First's projects editor

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