

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

DSCF Standard Mail Load Leveling

Docket No. N2014-1

REPLY AND SUPPLEMENTAL BRIEF
OF THE PUBLIC REPRESENTATIVE

(February 27, 2014)

Respectfully Submitted,

/s/ Anne J. Siarnacki

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Docket No. N2014-1

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I. INTRODUCTION

The Commission should find that the Postal Service's request for an advisory opinion concerning the Load Leveling Plan¹ is premature and hold the Request in abeyance for further study and analysis. The Public Representative's initial brief describes the Request's defects at length—including the Postal Service's failure to study and analyze the potential costs and benefits of nationwide implementation of the Load Leveling Plan; to assess whether a change in mailer behavior will prevent the proposal from leveling mail volumes; and to consider whether the "absorption factor" would hinder the proposal's success.² This supplemental and reply brief expands on several of the Public Representative's arguments from the Initial Brief, addresses some of the primary issues raised by the Postal Service and intervenors in their initial briefs, and supports the same recommendation the Public Representative advocates for in the Initial Brief. Since the record is devoid of the data, study, and analysis necessary to support nationwide implementation of the Load Leveling Plan, the Commission should hold the Request in abeyance pending additional study and analysis by the Postal Service.

Chapter II discusses the Postal Service's incorrect interpretation of 39 U.S.C. § 3661 and explains why the record fails to demonstrate that the Load Leveling Plan conforms to the policies of title 39. Chapter III shows that the previously unavailable results of the Southern Maryland and Curseen-Morris Operations Tests³ demonstrate that the Load Leveling Plan may not succeed in distributing the volume of mail delivered throughout the week and that lower carrier productivity and increased overall delivery costs may result from nationwide implementation of the Load Leveling Plan. The new information demonstrates that the Postal Service's decision not to study the likely impacts of the Load Leveling Plan has increased costs by \$ 250,000 through two of the

¹ United States Postal Service Request for an Advisory Opinion on Changes in the Nature of Postal Services, December 27, 2013 (Request).

² Initial Brief of the Public Representative, February 20, 2014, at 18-22, 38-39 (Initial Brief).

³ See Library Reference USPS-LR-N2014-1/18; Library Reference USPS-LR-N2014-1/NP8; Library Reference USPS-LR-N2014-1/NP9.

three operations tests. These two tests show that the effects of the Load Leveling Plan are far from certain and that further study and testing is needed to evaluate whether nationwide implementation of the Load Leveling Plan will actually level mail volumes and whether the Postal Service will experience increased costs that dwarf the potential benefits of the Load Leveling Plan. Chapter IV shows that the Postal Service has not justified the need for nationwide implementation of the Load Leveling Plan and discusses the Postal Service's failure to consider the cross impacts of the Load Leveling Plan and Mail Processing Network Rationalization (MPNR).⁴ Chapter V contests the Postal Service's assertion that it engaged in "extensive mailer consultation" and explains why "best practices of honest, efficient, and economical management" require greater responsiveness to customer concerns.

The Public Representative remains unable to endorse the Postal Service's proposal and remains convinced that additional study and data are necessary to allow the Commission to conduct a thorough analysis of the Request. The Request is premature, incomplete, and devoid of documented evidence showing that the Postal Service will realize concrete benefits that outweigh potential costs. Since two of the three operations tests show that the Load Leveling Plan fails to actually level volumes and increases costs by \$250,000, implementing the Load Leveling Plan without further study and analysis could be a costly and harmful business decision. "Best practices of honest, efficient, and economical management" demand thorough study and analysis of potential effects, particularly when initial testing indicates possible negative impacts on the Postal Service's bottom line. The Commission should find the Postal Service's Request premature and hold the Request in abeyance for the development of reliable and substantive evidence demonstrating the likely impacts of nationwide implementation of the Load Leveling Plan.

⁴ See Responses of United States Postal Service Witness Malone to Public Representative Discovery Requests (PR/USPS-T1-25(b), (c)-(f)), February 19, 2014 (Response to PR/USPS-T1-25).

II. THE POSTAL SERVICE'S ARGUMENTS THAT THE LOAD LEVELING PLAN CONFORMS TO THE POLICIES OF TITLE 39 ARE FLAWED AND UNSUPPORTED

The Postal Service misinterprets 39 U.S.C. § 3661 when it argues that the Commission's review is limited to whether the Load Leveling Plan conforms to the applicable policies in title 39.⁵ As was explained in the Initial Brief,⁶ section 3661 requires that the Commission's advisory opinion conform to the applicable policies of title 39—not that the Commission review the Request for conformance to the policies of title 39. This distinction is a subtle one, but the Postal Service's approach both misconstrues the language of 39 U.S.C. § 3661 and attempts to unduly narrow the scope of the Commission's opinion.

Although the Commission is not required by 39 U.S.C. § 3661 to focus its opinion on whether the Load Leveling Plan conforms to the policies of title 39, the Postal Service asserts that the "Load Leveling Plan is in accordance with and conforms to the policies in title 39, United States Code."⁷ Unfortunately, this assertion finds very little support in the record.

Section 403. The Postal Service asserts that "[t]he Load Leveling Plan allows the Postal Service to increase efficiencies in the collection, processing, and delivery of the mail in a number of ways, and as such, is consistent with 39 U.S.C. § 403." *Id.* The Postal Service claims its anticipation "that a national implementation of the Load Leveling Plan will lead to the same type of positive operational results as those experienced in . . . the South Jersey Operations Test" as support. *Id.* at 8-9. However, these assertions are unsupported in the record of this proceeding. The Postal Service's witnesses repeatedly stated that the South Jersey Operations Test was not representative of the nation as a whole and cautioned against considering the results of

⁵ See Initial Brief of the United States Postal Service, February 20, 2014, at 1, 8-11 (USPS Brief). See also Initial Brief of the Association for Postal Commerce, February 20, 2014, at 1 (PostCom Brief).

⁶ Initial Brief at 5-6.

⁷ USPS Brief at 8.

the South Jersey Operations Test “as being indicative of national results.”⁸ In addition, as explained in Chapter III *infra*, the Southern Maryland and Curseen-Morris Operations Tests had dramatically different results than the South Jersey Operations Test, and the Southern Maryland and Curseen-Morris testing areas did not experience the same operational benefits that the Postal Service saw in South Jersey. It is true that operational efficiencies like earlier processing of outgoing mail, leveled volume throughout the week, and reduced Monday carrier hours are consistent with 39 U.S.C. § 403. However, the Postal Service failed to produce any evidence that nationwide implementation of the Load Leveling Plan is likely to result in such operational improvements.

Section 3691. The Postal Service asserts that “the Load Leveling Plan furthers the Postal Service’s service standard objectives established in 39 U.S.C. § 3691(b)(1),” including “enhanc[ing] the value of postal services to both senders and recipients” and “reasonably assur[ing] Postal Service customers delivery reliability, speed and frequency consistent with reasonable rates and best business practices.”⁹ The Postal Service claims that the Load Leveling Plan furthers the service standard objectives in enhancing delivery reliability and speed by allowing carriers to begin delivery and complete routes earlier; allowing for earlier processing of outgoing mail; and providing greater consistency on the timing of delivery. *Id.* at 9-10. The Postal Service asserts that “[t]hese operational improvements are achieved without changing the value of DSCF Standard Mail.” *Id.* at 10.

Again, the Postal Service’s assertions are unsupported by the record in this proceeding. The Southern Maryland and Curseen-Morris Operations Tests showed higher than normal cancellation volumes, increased city carrier overtime hours, and decreased carrier productivity.¹⁰ It is uncertain, at best, if the Postal Service will realize

⁸ Response to PR/USPS-T1-9. See also PR/USPS-T2-1. For an extended discussion of this issue, see Initial Brief at 8-9.

⁹ USPS Brief at 9 (citing 39 U.S.C. § 3691(b)(1)(A) and (C)).

¹⁰ See Response to APWU/USPS-T1-1; Response to PR/USPS-T1-18; Chapter III *infra*.

operational benefits as a result of nationwide implementation of the Load Leveling Plan.¹¹ In addition, the Postal Service's claim that the operational changes will be achieved without changing the value of DSCF Standard Mail is unfounded. The record reflects significant concern from postal customers that the Load Leveling Plan will erode the value of Standard Mail.¹² Statements in the record reflect that the mailing community believes that "relaxing the service standard will cheapen Presorted Standard mail, in the eyes of the customer" and the proposal "would degrade the value of mail to many mailers."¹³ The Postal Service's assertions of conformance to 39 U.S.C. § 3691(b)(1) lack support in the record.

The Postal Service also asserts that "the Load Leveling Plan is consistent with 39 U.S.C. § 3691(c)."¹⁴ The Postal Service claims that it has taken into account "mail volume and revenues projected for future years" and "the current and projected future cost of serving Postal Service customers."¹⁵ The Postal Service asserts that "[t]he record evidence provides no basis for concluding that implementation of the Load Leveling Plan will lead to any material diminution in DSCF Standard Mail volume or revenue." *Id.* at 10.

The Postal Service's claims of consistency with 39 U.S.C. § 3691(c) also lack support in the record. The record provides no evidence to support the claim that the Postal Service has taken into account "mail volume and revenues projected for future years" and "the current and projected future cost of serving Postal Service customers." In fact, what the record does show is that the Postal Service chose not to study if the Load Leveling Plan will interact with ongoing network changes, increase costs, or

¹¹ See Initial Brief at 26-39.

¹² See Library Reference USPS-LR-N2014-1/12.

¹³ *Id.* at 10, 26. See also *id.* at 5 (stating that adding a day to the service standard weakens the predictability of delivery and thus the value of mail); 23 (stating "lowered service levels . . . devalue[] the mail channel for customers seeking specific delivery windows"); 25 (stating that less predictable service "may lessen the impact of . . . mailings, in which case the value to cost equation is likely to result in reduced mail volumes").

¹⁴ USPS Brief at 10.

¹⁵ *Id.* (citing 39 U.S.C. § 3691(c)(4) and (c)(6)).

adversely affect volume, revenue, or contribution.¹⁶ The Postal Service's assertion that the record does not evidence that "the Load Leveling Plan will lead to any material diminution in DSCF Standard Mail volume or revenue" is unsupported by the record. Feedback from the mailing community in the record clearly indicates volume loss is likely.¹⁷ The sole reason why the record does not reflect any study of the extent of how much volume may be lost as a result of the proposal is simply because the Postal Service failed to conduct any analysis of how much volume and revenue loss may result from nationwide implementation of the Load Leveling Plan.¹⁸ In failing to study potential volume loss, increased costs, and other impacts, the Postal Service failed to meet its obligation under 39 U.S.C. § 3691(c), requiring it take into account "mail volume and revenues projected for future years" and "the current and projected future cost of serving Postal Service customers."

III. TWO OF THE THREE OPERATIONS TESTS SHOW THAT THE LOAD LEVELING PLAN FAILS TO LEVEL MAIL VOLUMES AND RESULTED IN DECREASED CARRIER PRODUCTIVITY

The results of two additional load leveling operations tests detail a failure to level mail volumes and resulted in increased costs. Despite these negative results, the Postal Service asserts that "[o]perations testing has validated the service change concept"¹⁹ and claims that the "South Jersey Operations Test confirmed the hypothesis that implementing the experimental change in service standards would result in leveling the mail processing and delivery workload in the [South Jersey service area]." *Id.* at 6. The Postal Service anticipates that a national roll-out of the Load Leveling Plan will lead to similar positive effects. *Id.* at 7. In the Initial Brief, the Public Representative

¹⁶ Initial Brief at 14-17, 19-20, 20-21.

¹⁷ Library Reference USPS-LR-N2014-1/12 at 1, 2, 5, 10, 14, 17, 23.

¹⁸ Initial Brief at 20-21.

¹⁹ USPS Brief at 5.

analyzed the impact of the South Jersey Operations Test on Delivery Productivity.²⁰ Based on the results of the South Jersey Operations Test, the Public Representative warned:

The feedback received during the South Jersey Operations Test shows that the Load Leveling Plan may not be fully successful in achieving its intended effects. Further study is necessary to understand the issues associated with increased Tuesday workloads and what additional changes to the Load Leveling Plan may be necessary in order for the proposal to achieve its intended goal.

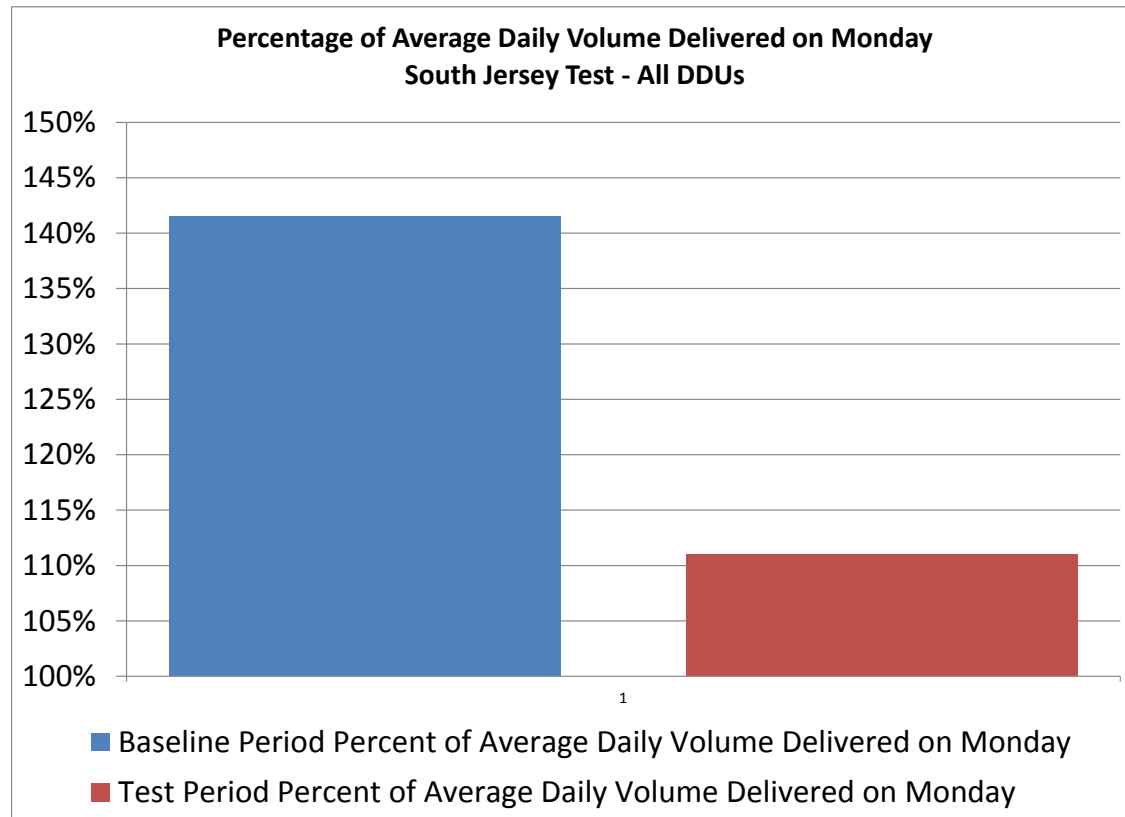
Id. at 10. As of the briefing deadline of February 20, 2014, the South Jersey Operations Test was the only operations test for which the Postal Service had provided detailed information in the record. On February 21, 2014, the Postal Service filed Library Reference USPS-LR-N2014-1/NP9, which provided detailed results from two additional operations tests (the Southern Maryland Operations Test and the Curseen-Morris Operations Test). With the information from the South Jersey, Southern Maryland, and Curseen-Morris Operations Tests, the Public Representative is able to better analyze the potential operational and financial impacts of nationwide implementation of the Load Leveling Plan. The results show that the Load Leveling Plan, as proposed, may fail to achieve its intended goal and may result in increased delivery costs for the Postal Service.

A. Two of the Three Operations Tests Show that the Load Leveling Plan Fails to Level Mail Volumes

Two of the three operations tests failed to level mail volumes and achieve the primary goal of the Load Leveling Plan. In the Initial Brief, the Public Representative noted that the data in the record show that the South Jersey Operations Test “accomplished its stated goal of leveling the total delivered volume across the week. The South Jersey Operations Test results display the best case results of the Load Leveling Plan: lower workload and street productivity on Mondays and higher workload

²⁰ Initial Brief at 26-39.

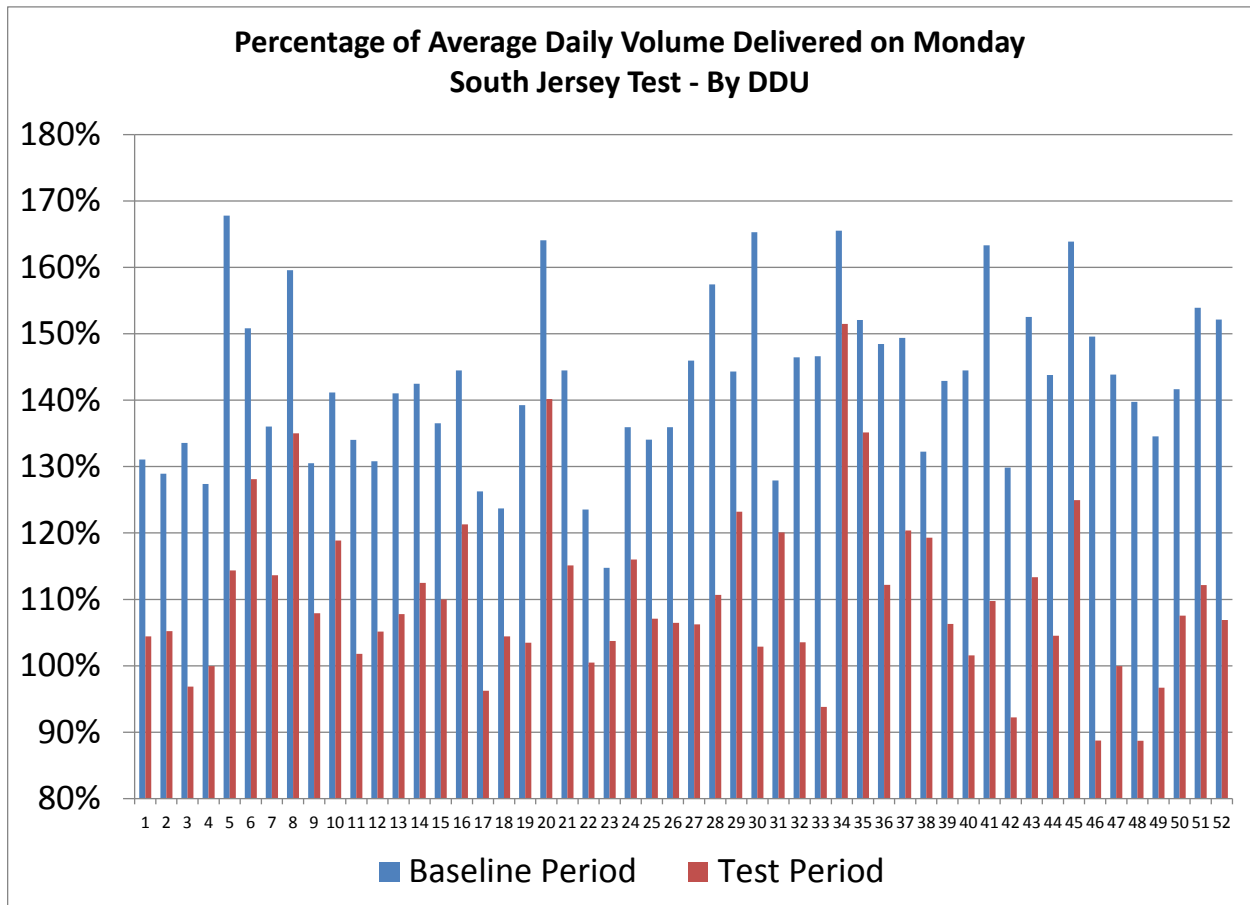
and street productivity the rest of the week.” *Id.* at 31 (citation omitted). The following chart details how the volume delivered on Monday decreased during the South Jersey Operations Test.²¹



During the South Jersey Operations Test, the Monday delivered volume as a percentage of average daily volume declined. The success of the South Jersey Operations Test is further reinforced by a more granular analysis of the impact on the Monday delivered volume by DDU. The following chart details how the Monday

²¹ The data used in the chart was calculated using Library Reference USPS-LR-N2014-1/2, file “LR-2 – SJ F2 Results –FINAL.xls,” tab “data.” The “data” tab contains workhour and volume information for South Jersey from August 1, 2013 to September 30, 2013 by day. For the table, only the full weekly data from August 5, 2013 to September 28, 2013 was used. The Initial Brief details that the average daily volume in the South Jersey Operations Test area was 2.18 million pieces per day during the baseline period, and 2.30 million pieces during the test period. The average delivered volume on Mondays during the baseline period was 3.10 million pieces, or 143 percent of the 2.18 million pieces delivered per day during the baseline period. During the operations test period, the average delivered volume on Mondays declined to 2.55 million pieces, or 111 percent of the average daily volume of 2.30 million pieces during the operations test.

delivered volume changed during the South Jersey Operations Test for each of the fifty-two DDUs in South Jersey.²²

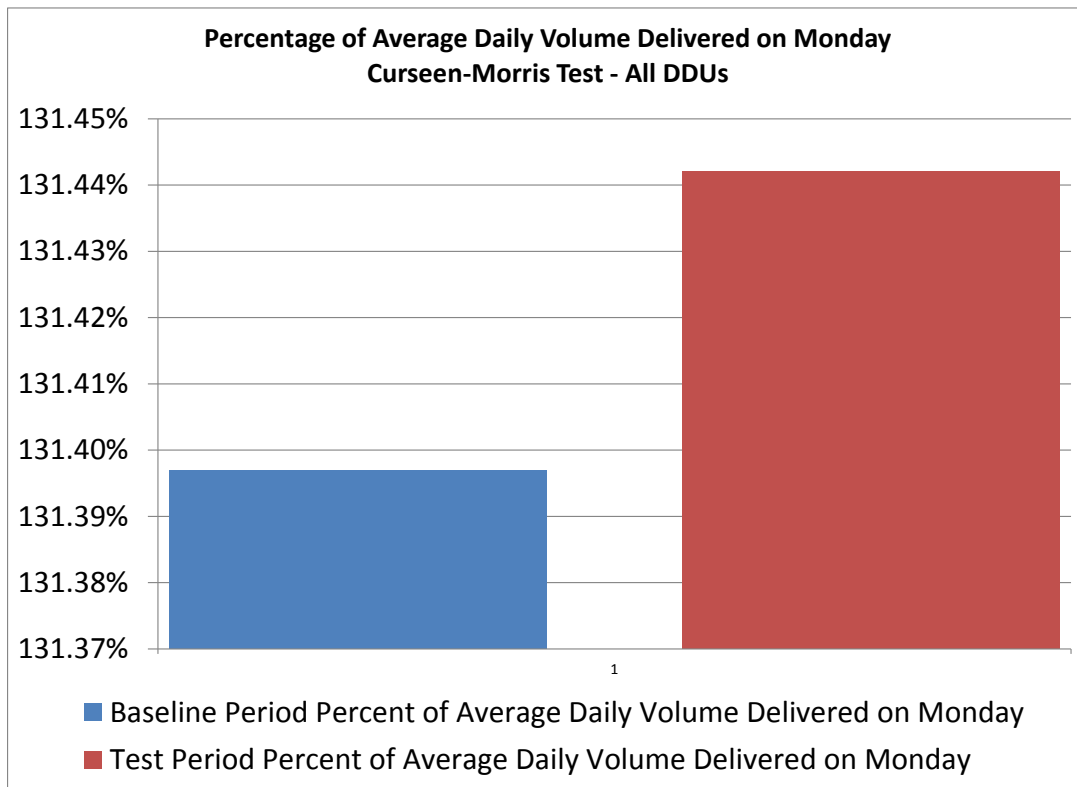


The results show considerable improvement in the Monday delivered volumes during the test period as compared to the baseline period. For example, during the baseline period, DDU #5 experienced a Monday delivered volume of 167 percent of the average daily volume. For DDU #5, the Monday delivered volume declined to 114 percent during the test period. There is a remarkable consistency in the results across all of the

²² The table “Percentage of Average Daily Volume Delivered on Monday South Jersey Test – by DDU” was developed using data from Library Reference USPS-LR-N2014-1/NP3, file “DissaggregatedDOIS.xls,” tab “Data by Delivery Unit”. The Public Representative used the “Date” in column A, “Delivery Unit” identifiers in column B, and the “Total Volume” in column K. The Total Volume is compared to the number of delivery days to calculate the average volume delivered each day for each DDU. The average volume is further refined to a day-specific metric for Mondays.

South Jersey DDUs. During the South Jersey Test, the Monday delivered volume *declined for every DDU*.

Unlike the South Jersey Operations Test, the Curseen-Morris Operations Test was unsuccessful in leveling mail volume delivered throughout the week. The results of the Curseen-Morris Operations Test show that the operations test had virtually no impact on Monday delivered volume. The following chart details how the volume delivered on Monday remained virtually unchanged during the Curseen-Morris Operations Test, as compared to the baseline period.²³



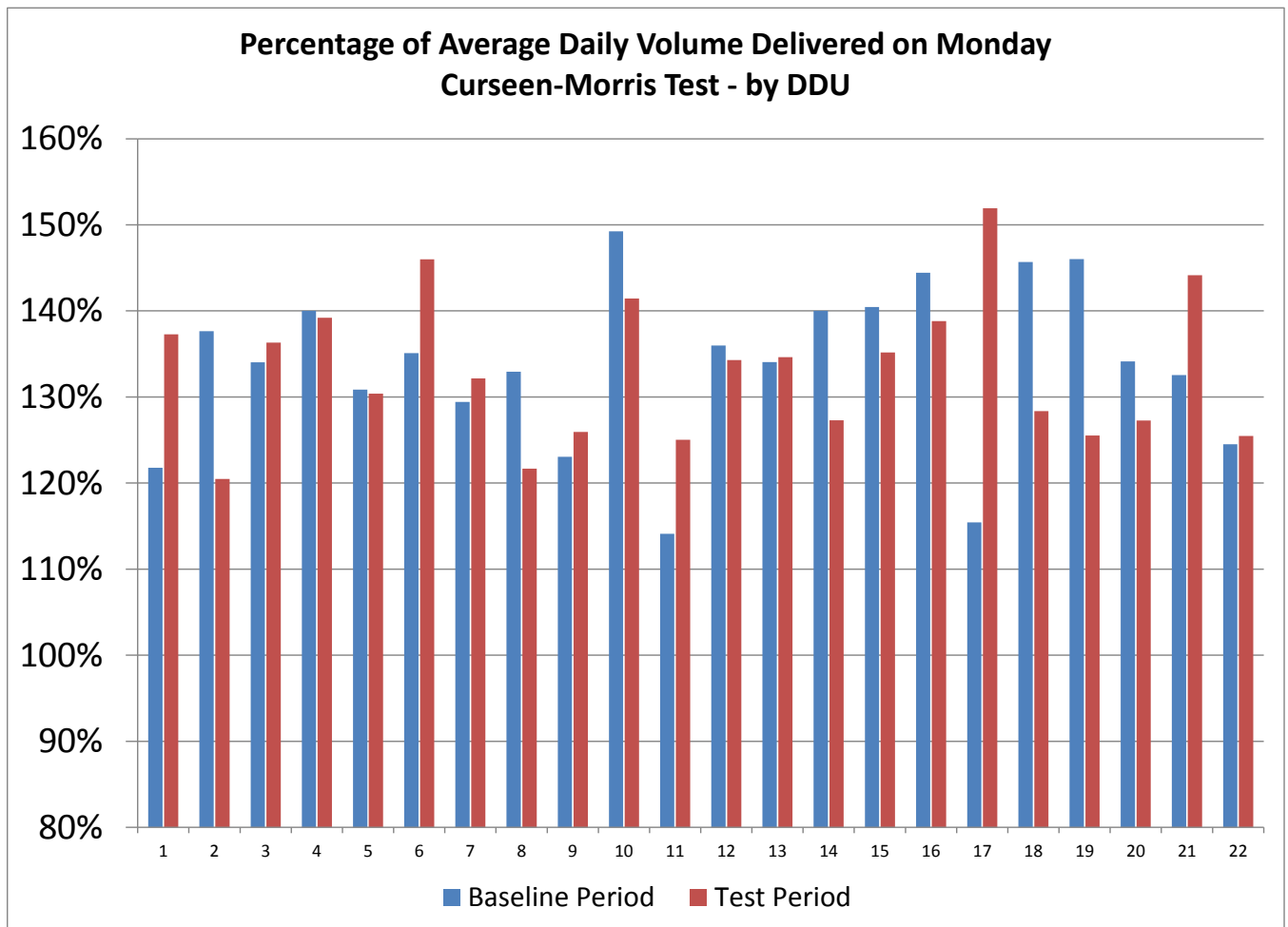
²³ The data used in the chart was calculated using Library Reference USPS-LR-N2014-1/18, file "N2014-F2 data CurMor Revised.xls," tab "data." The "data" tab contains workhour and volume information for Curseen-Morris Operations Test for the periods of October 1, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014. For the table, only the full weekly data from October 5, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014 (test period) was used.

During the Curseen-Morris Operations Test, across all routes and DDU's, the Monday delivered volume increased by 0.04 percent. The following table further details the change in average delivered volume.

	Baseline Period	Test Period
Average Delivered Volume - Mon to Sat	1,287,324	1,188,464
Average Delivered Volume - Monday Only	1,691,505	1,562,142
Monday Peak Percentage	131.40%	131.44%

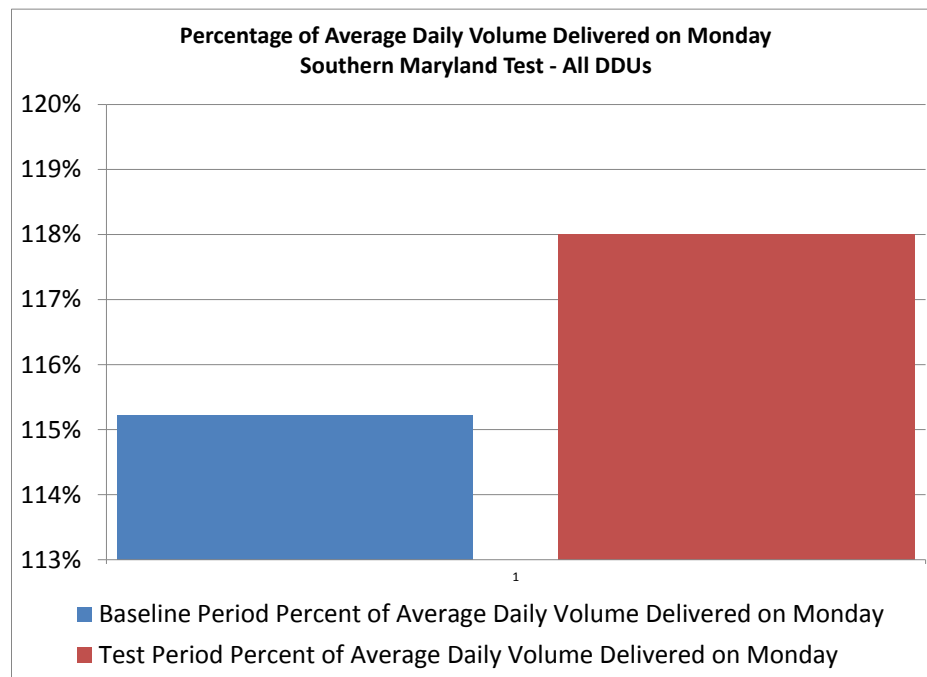
The inability of the Curseen-Morris Operations Test to impact Monday delivered volume is further reinforced by a more granular analysis of the impact on Monday delivered volume, disaggregated by DDU. The following chart details how the Monday delivered volume changed during the testing period for each of the twenty-two DDU's in the Curseen-Morris test area.²⁴

²⁴ The data used in the chart was calculated using Library Reference USPS-LR-N2014-1/NP9, file "N2014-1 dois CurMor.xls," tab "Data by DDU." The "data" tab contains workhour and volume information for the Curseen-Morris Operations Test for the periods of October 1, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014. For the chart, only the full weekly data from October 5, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014 (test period) was used. The Public Representative used the "Date" in column A, "Delivery Unit" identifiers in column B, and the "Total Volume" in column K. The Total Volume is compared to the number of delivery days to calculate the average volume delivered each day for each DDU. The average volume is further refined to a day-specific metric for Mondays.



The results further detail the impact of load leveling on Monday delivered volume for Curseen-Morris area DDUs. Of the twenty-two DDUs, the Monday delivered volume increased for ten and decreased for twelve DDUs during the operations test. For example, the during the baseline period, DDU #1 experienced a Monday delivered volume of 122 percent of the average daily volume. For DDU #1, the Monday delivered volume increased to 137 percent during the test period. For DDU #10, the Monday delivered volume declined from 149 percent during the baseline period to 141 percent during the test period. The only consistent element across DDUs during the Curseen-Morris Operations Test was that the Monday delivered volume *was at least 120 percent of the average daily volume during the test period.*

The Southern Maryland Operations Test resulted in a similar failure to level Monday delivery volumes. The Southern Maryland Operations Test began on December 5, 2013.²⁵ The following chart details how the volume delivered on Monday changed during the Southern Maryland Operations Test, as compared to the baseline period.²⁶



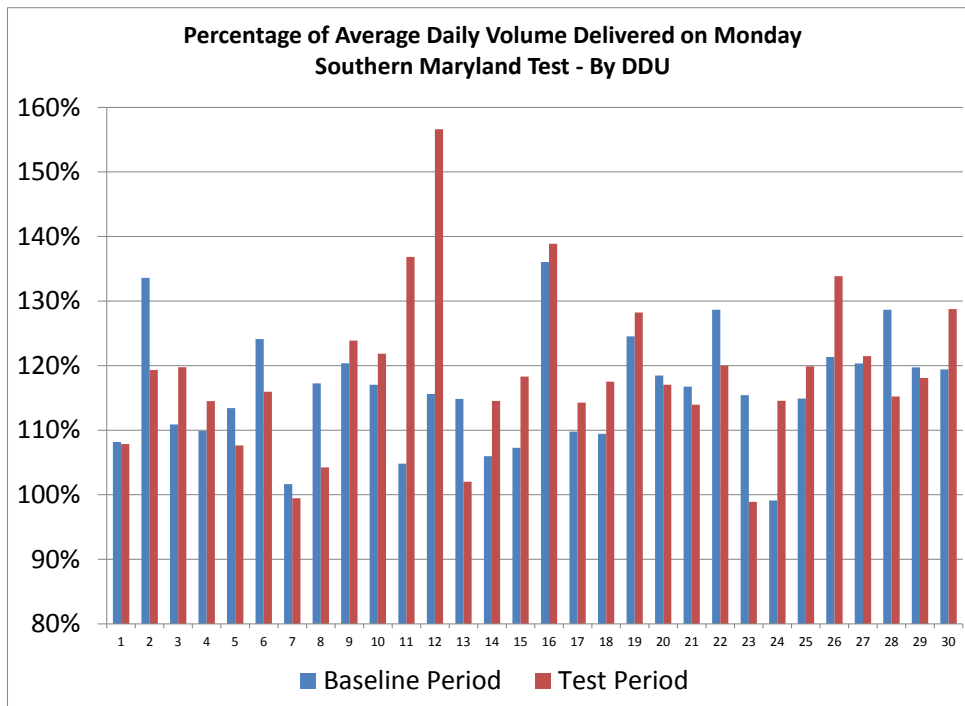
²⁵ The record reflects that the Southern Maryland Operations Test began on December 5, 2013. Response to PR/USPS-T1-19. The Postal Service has provided delivery data from the Southern Maryland Operations Test for the periods of October 1, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014. Despite attempts to obtain the data for the Southern Maryland Operations Test for the period beginning on December 5, 2013, the Postal Service has not provided the requested data. In Library Reference USPS-LR-N2014-1/18, file "N2014-F2 data So MD Revised.xls," tab "Notes," cell b6, the Postal Service states "[d]ata were pulled from 10/1/2013 through 1/31/2014 by Delivery Date (calendar date), excluding 11/23/13 – 1/3/14 (Christmas Season weeks)". As the Public Representative currently understands the situation, the Southern Maryland Operations Test began on December 5th and is ongoing. Thus, the January 4, 2014 to January 31, 2014 data provided by the Postal Service is not for the initial weeks of the test, but rather for the second month testing. See Library Reference USPS-LR-N2014-1/NP4.

²⁶ The data used in the chart was calculated using Library Reference USPS-LR-N2014-1/18, file "N2014-F2 data So MD Revised.xls," tab "data." The "data" tab contains workhour and volume information Southern Maryland Operations Test for the periods of October 1, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014. For the table, only the full weekly data from October 5, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014 (test period) was used.

The following table further details the change in the Monday delivered volume during the Southern Maryland Operations Test.

	Baseline Period	Test Period
Average Delivered Volume - Mon to Sat	1,490,423	1,420,957
Average Delivered Volume - Monday Only	1,717,406	1,676,831
Monday Peak Percentage	115.23%	118.01%

The Monday delivered volume increased by 3 percent during the operations test, from 115 percent to 118 percent. The following chart details how the Monday delivered volume varied for the thirty DDUs in the Southern Maryland testing area.²⁷



²⁷ The data used in the chart was calculated using Library Reference USPS-LR-N2014-1/NP9, file "N2014-1 dois So MD.xls," tab "Data by DDU." The "data" tab contains workhour and volume information Southern Maryland Operations Test for the periods of October 1, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014. For the table, only the full weekly data from October 5, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014 (test period) was used. The Public Representative used the "Date" in column A, "Delivery Unit" identifiers in column B, and the "Total Volume" in column K. The Total Volume is compared to the number of delivery days to calculate the average volume delivered each day for each DDU. The average volume is further refined to a day-specific metric for Mondays.

Of the thirty DDUs, the Monday delivered volume increased for seventeen DDUs and decreased for thirteen DDUs. For example, during the baseline period, DDU #12 experienced a Monday delivered volume of 116 percent of the average daily volume. For DDU #12, the Monday delivered volume increased to 157 percent during the test period. For DDU #22, the Monday delivered volume declined from 129 percent during the baseline period to 120 percent during the test period. Unlike the South Jersey Operations Test, which had consistent impacts across DDUs, the Southern Maryland Operations Test had inconsistent results and failed to level mail volumes on Mondays for the majority of DDUs in Southern Maryland.

Ultimately, this data reveals that of the three operations tests included in the record of this proceeding, only the South Jersey Operations Test was successful in leveling Monday delivery volumes. Both the Southern Maryland and the Curseen-Morris Operations Tests resulted in Monday delivery volumes higher than those in the baseline period. The Postal Service has provided no insight into the failure of the Southern Maryland and Curseen-Morris Operations Tests to achieve the operational goals of load leveling.²⁸ The failure of the Southern Maryland and Curseen-Morris Operations Tests to level Monday delivery volumes further supports holding this proceeding in abeyance until additional testing is completed and the likelihood of success (or failure) of the Load Leveling Plan can be fully analyzed.

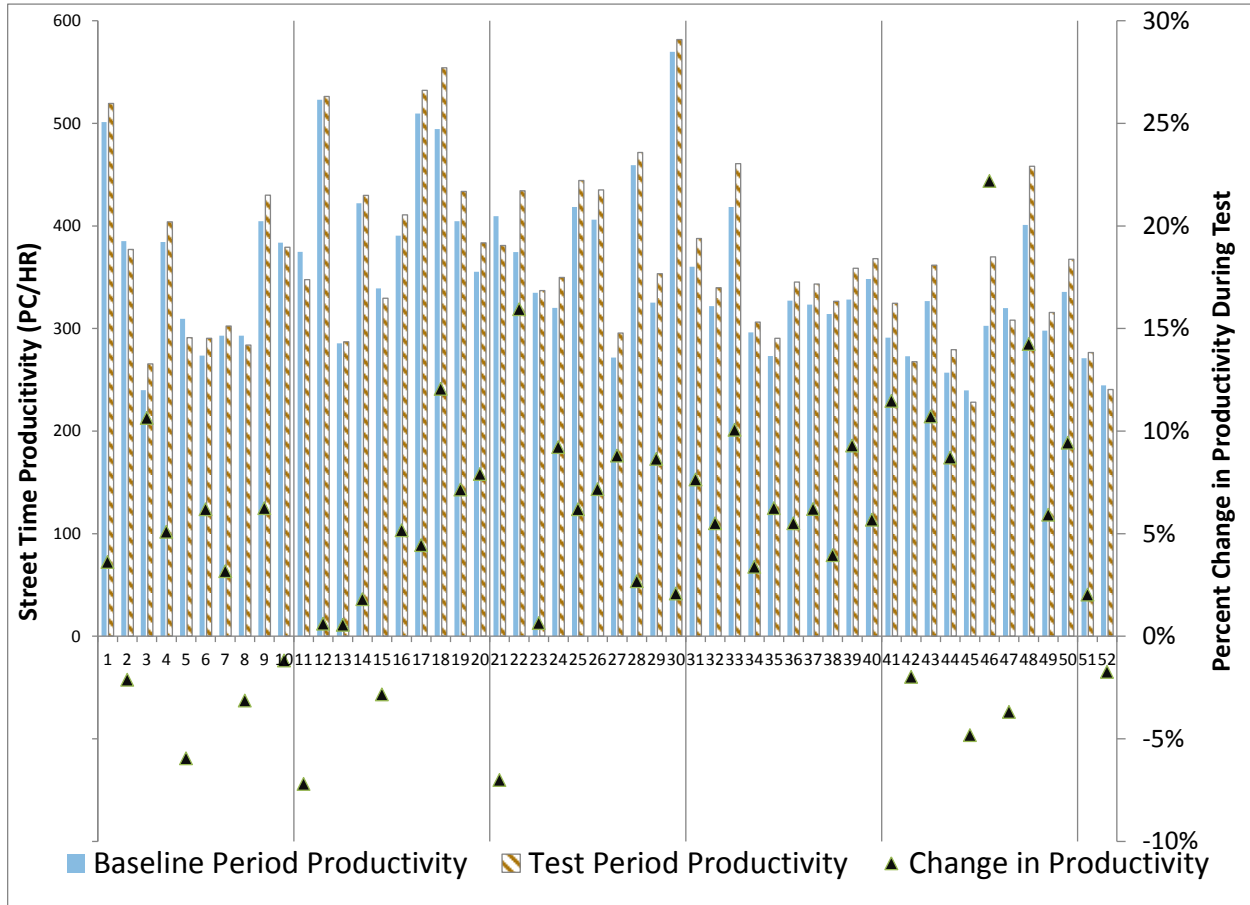
B. Two of the Three Operations Tests Show Carrier Street Time Productivity Decreases as a Result of the Load Leveling Plan

The Southern Maryland and Curseen-Morris Operations Tests resulted in a decrease in carrier street time productivity, as compared to the baseline period. In the Initial Brief, the Public Representative detailed the wide variation in city carrier street

²⁸ The Public Representative has been unable to pursue this issue due to the February 21, 2014 filing of the data—a date after the close of discovery and after the initial briefing deadline. For additional discussion of the constraints of this proceeding's expedited schedule, see Initial Brief at 22-24.

time productivity experienced by DDUs during the South Jersey Operations Test.²⁹ The following chart, developed using the same data as the chart on page 34 of the Initial Brief, details how productivity changed across all fifty-two South Jersey DDUs.

Change in South Jersey Productivity by DDU



Like the operational outcome, the productivity outcome of the South Jersey Operations Test was also positive. However, the data from the Curseen-Morris and Southern Maryland Operations Tests show that South Jersey represents a best case scenario, rather than a reasonable expectation of the likely impact of nationwide implementation of the Load Leveling Plan.

²⁹ Initial Brief at 33-38.

The following two tables detail the Postal Service's estimates of impact of the Curseen-Morris Operations Test on city carrier productivity.³⁰

Postal Service Estimate of Curseen-Morris Delivery Productivity Impact		
Productivity Change Without Delivery Variability		
Base vs Test	Revised Hrs	Revised OT Hrs
104.56%	27,139	6,166
Avg Save-->	-1,085	-338
% Saved	-4.00%	-5.48%
Productivity Change With Delivery Variability		
Base Vol /Test Vol	Revised Hrs	Revised OT Hrs
104.56%	27,758	6,307
Avg Save-->	-466	-197
% Saved	-1.68%	-3.12%

The Postal Service estimates that the Curseen-Morris Operations Test resulted in a decrease in city carrier productivity of between 1.68 and 4.00 percent. Overtime hours also increased during the test period.³¹

In the Initial Brief, the Public Representative explained that in South Jersey the Postal Service traded lower productivity on Monday for higher productivity the rest of the week.³² As described in Chapter III.A *supra*, the Curseen-Morris Operations Test was not successful in reducing the Monday delivered volume, and as such, one would not expect this productivity trade-off to be repeated in the Curseen-Morris testing area. The DOIS data provided by the Postal Service reveal that the operations test had little

³⁰ The tables are contained in the "data" tab of Library Reference USPS-LR-N2014-1/NP8, file "N2014-F2 data CurMor.xls" and Library Reference USPS-LR-N2014-1/18, file "N2014-F2 data CurMor Revised.xls." Library Reference USPS-LR-N2014-1/NP8, file "N2014-F2 data CurMor.xls" contains identical information as Library Reference USPS-LR-N2014-1/18, file "N2014-F2 data CurMor Revised.xls," and it appears the Postal Service has inadvertently filed it as nonpublic information, initially in place of the disaggregated DOIS information in Library Reference USPS-LR-N2014-1/NP9, file "N2014-1 dois CurMor.xls," tab "Data by Delivery Unit."

³¹ The weekly average of city carrier overtime hours increased from 6,448 during the baseline period to 6,504 during the test period. Given the volume decline between the two periods, the Postal Service expected overtime to decrease. See Library Reference USPS-LR-N2014-1/18, file "N2014-F2 data CurMor Revised.xls," tab "data," cells d16 and d17.

³² Initial Brief at 39.

impact on the daily street time productivity across all days of the week.³³ The following table details the street time productivity for the Curseen-Morris testing area during both the baseline period and the operations test.³⁴

Curseen Morris Daily Street Productivity 10/5/13 to 11/22/13				
Day	Total Delivered Volume	Total Street Workhours	Productivity	Percent Difference from Average
Mon	8,457,524	19,254	439	21%
Tue	9,833,041	25,744	382	5%
Wed	7,159,656	24,381	294	-19%
Thu	8,811,902	24,880	354	-3%
Fri	8,540,531	24,655	346	-5%
Sat	8,690,317	22,719	383	5%
Total	51,492,971	141,634	364	
Tue- Sat	43,035,447	122,380	352	-3%
Curseen Morris Daily Street Productivity 1/4/14 to 1/31/14				
Day	Total Delivered Volume	Total Street Workhours	Productivity	Percent Difference from Average
Mon	4,686,427	11,467	409	22%
Tue	4,976,373	14,412	345	3%
Wed	4,024,833	14,199	283	-15%
Thu	4,468,065	14,322	312	-7%
Fri	4,946,442	14,248	347	4%
Sat	4,232,543	13,151	322	-4%
Total	27,334,683	81,798	334	
Tue- Sat	22,648,256	70,332	322	-4%

The DOIS data reveals carrier productivity during the testing period mirrored the negative results of the Curseen-Morris Operations Test. The Monday delivered volume

³³ The following table details that street delivery productivity declined from 364 pieces per hour during the baseline period to 334 pieces per hour during the test period.

³⁴ The table was calculated using Library Reference USPS-LR-N2014-1/18, file "N2014-F2 data CurMor Revised.xls," tab "data." The "data" tab contains workhour and volume information Curseen-Morris Operations Test for the periods of October 1, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014. For the table, only the full weekly data from October 5, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014 (test period) was used. The volume per workhour is calculated by dividing column F "Street Hours" by column L "Total Volume Delivered."

was nearly identical before and during the test.³⁵ Unsurprisingly, Monday was the most productive day during both the baseline and testing periods, 21 percent more productive than average during the baseline period and 22 percent more productive than average during the operations test. The fact that the Curseen-Morris Operations Test resulted in decreased street time productivity had nothing to do with carrier productivity on Mondays. Overall Tuesday through Saturday productivity declined, with four of the five days experiencing lower daily productivities during the operations test than the baseline period. For example, productivity on Saturdays declined from 383 pieces delivered per hour during the baseline period (the second most productive day) to 322 pieces delivered per hour during the test.

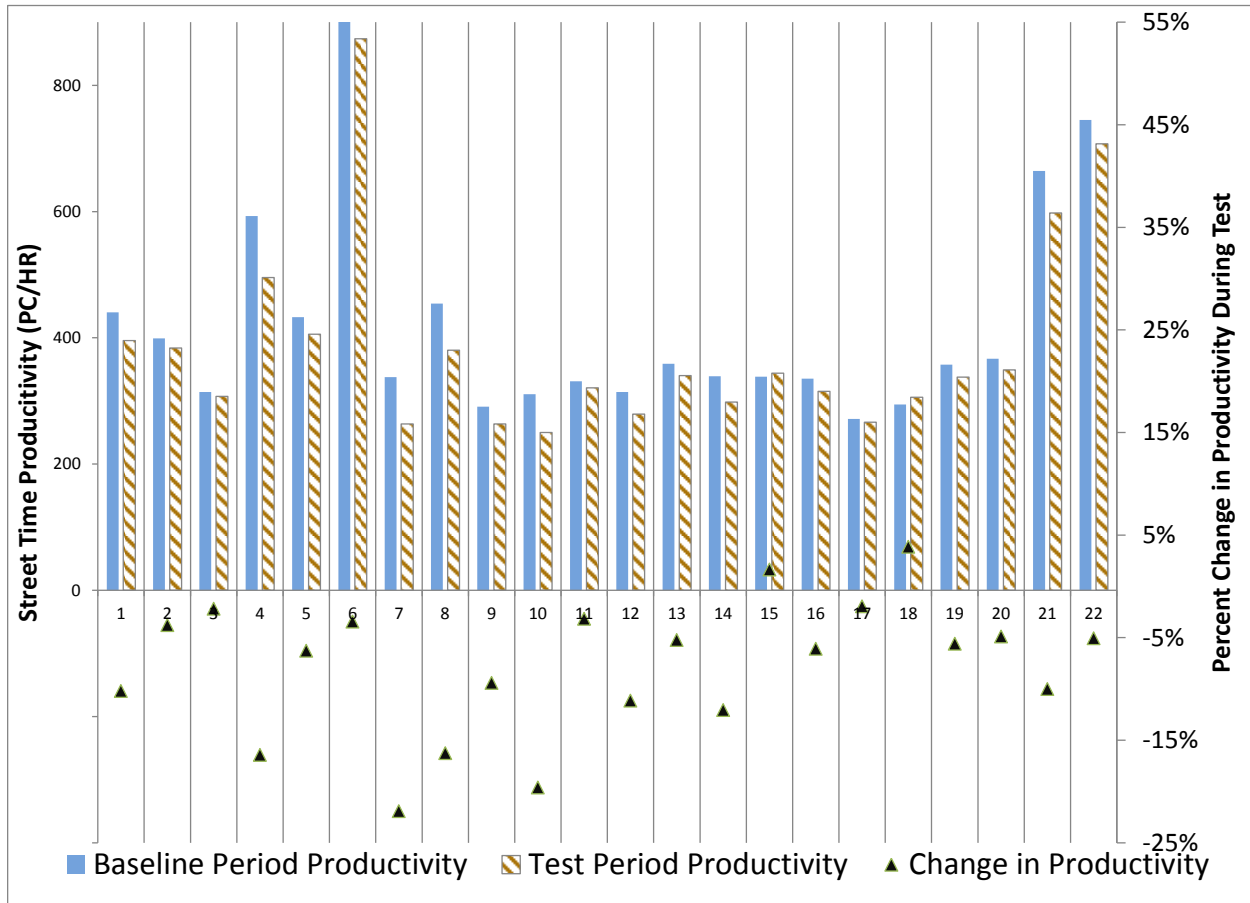
In general, due to the low volume variability of city delivery costs, volume increases lead to productivity increases and volume decreases lead to productivity decreases.³⁶ During the South Jersey Operations Test, volume increased and productivity increased. *Id.* During the Curseen-Morris Operations Test, average daily volume declined. However, as detailed by the Postal Service in Library Reference USPS-LR-N2014-1/19, file “N2014-1 F2 data CurseenMorris Revised,” productivity declined by more than would be expected given the level of volume decline. Granular analysis of the impact of the operations test on street time productivity for each of the twenty-two DDUs participating in the Curseen-Morris Operations Test illustrates this point.³⁷

³⁵ As described in Chapter III.A *supra*, the average volume delivered on Mondays during the baseline period was 1.7 million pieces, or 131.4 percent higher than the average daily volume of 1.3 million pieces during the entire baseline period. During the test period, the average daily volume delivered on Mondays was 1.6 million pieces, or 131.4 percent higher than the average daily volume for the entire test period of 1.2 million pieces.

³⁶ See Initial Brief at 38.

³⁷ The data used to generate this chart is contained in Library Reference USPS-LR-N2014-1/NP9, file “N2014-1 dois CurMor.xls” tab “Data by Delivery Unit.” The “Data by Delivery Unit” tab contains workhour and volume information Curseen-Morris Operations Test for the periods of October 1, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014. For the table, only the full weekly data from October 5, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014 (test period) was used.

Change in Curseen-Morris Productivity by DDU



Of the twenty-two DDUs in the Curseen-Morris testing area, eight (36 percent) experienced productivity declines of greater than 10 percent and twenty (91 percent) experienced productivity declines during the operations test. The range of productivity change across DDUs was similar in both the South Jersey Operations Test and the Curseen-Morris Operations Test (29 percent and 26 percent respectively).³⁸ The largest DDU productivity increase for the South Jersey Operations Test was 22 percent, and the largest DDU productivity decrease was -7 percent, for a spread of 29 percent. The largest DDU productivity increase for the Curseen-Morris Operations Test was 4

³⁸ See Library Reference USPS-LR-N2014-1/NP3, file "DissaggregatedDOIS.xls," tab "Data by Delivery Unit" and Library Reference USPS-LR-N2014-1/NP9, file "N2014-1 dois CurMor.xls," tab "Data by Delivery Unit."

percent, and the largest DDU productivity decrease was -22 percent, for a spread of 26 percent. The similar ranges in DDU productivity suggest that the impact of the Load Leveling Plan will vary substantially by location. The success of the Load Leveling Plan depends on the midpoint of these changes. For the South Jersey Operations Test, median productivity change across all DDUs was positive 5.5 percent. For the Curseen-Morris Operations Test, the median productivity change across all DDUs was negative 5.8 percent. Thus, the decline in median productivity change was 11.3 percent from the South Jersey Operations Test to the Curseen-Morris Operations Test.

The carrier productivity results of the Southern Maryland Operations Test largely mirror those of the Curseen-Morris Operations Test. The following two tables detail the Postal Service's estimates of impact of the Southern Maryland Operations Test on city carrier productivity.³⁹

<u>Postal Service Estimate of Southern Maryland Delivery Productivity Impact</u>		
Productivity Change Without Delivery Variability		
Base vs Test	Revised Hrs	Revised OT Hrs
102.20%	27,013	5,100
Avg Save-->	-1,014	-1,254
% Saved	-3.8%	-24.6%
Productivity Change With Delivery Variability		
Base Vol /Test Vol	Revised Hrs	Revised OT Hrs
102.20%	27,309	5,156
Avg Save-->	-718	-1,198
% Saved	-2.6%	-23.2%

The Postal Service estimates that the Southern Maryland Operations Test resulted in a decrease in city carrier productivity between 2.6 and 3.8 percent. Unlike the other two tests, overtime hours significantly increased during the test period, between 23 and 25

³⁹ The tables are contained in the "data" tab of Library Reference USPS-LR-N2014-1/NP8, file "N2014-F2 data So MD.xls" and Library Reference USPS-LR-N2014-1/18, file "N2014-F2 data So MD Revised.xls." Library Reference USPS-LR-N2014-1/NP8, file "N2014-F2 data So MD.xls" contains identical information as Library Reference USPS-LR-N2014-1/18, file "N2014-F2 data So MD Revised.xls," and it appears the Postal Service has inadvertently filed it as nonpublic information, initially in place of the disaggregated DOIS information in Library Reference USPS-LR-N2014-1/NP9, file "N2014-1 dois So MD.xls," tab "Data by DDU."

percent more than expected when accounting for the volume reduction.⁴⁰ During the Curseen-Morris Operations Test, volume and productivity, along with overall city carrier work hours declined during the testing period. While city carrier hours declined during the Curseen-Morris Operations Test, they did not decline as much as would be expected, given the decline in volume. This led to a decline in productivity. The Southern Maryland Operations Test is an instructive data point, particularly because it counters the Postal Service's claim that nationwide implementation of the Load Leveling Plan will lead to "positive operational results in every district throughout the postal network."⁴¹ The following table shows Delivered Volumes and City Carrier Workhours in Southern Maryland during the baseline and test periods.⁴²

	CC Hrs	Total Volume
Baseline Avg	27,608	8,656,680
Test Avg	28,027	8,469,997

During the Southern Maryland Operations Test, delivered volume declined and City Carrier Workhours increased. This is particularly remarkable because this data reflects the second month of load leveling operations testing in Southern Maryland.⁴³

⁴⁰ During the South Jersey Operations Test, weekly average overtime hours declined by 1,711 in absolute terms, or 30.8 percent. Given the volume increase during that test period, overtime hours were expected to increase. As such, the Postal Service estimated that the South Jersey Operations Test led to a decrease in overtime hours of between 33 percent and 35 percent. See Library Reference USPS-LR-N2014-1/2, file "LR-2 – SJ F2 Results –FINAL.xls" and Library Reference USPS-LR-N2014-1/2, file "LR-2 – SJ F2 Results.Revised.xls," tab "analysis." For the Curseen-Morris Operations Test, the weekly average of city carrier overtime hours increased from 6,448 during the baseline period to 6,504 during the test period. Given the volume decline between the two periods, the Postal Service expected overtime to decrease. See Library Reference USPS-LR-N2014-1/18, file "N2014-F2 data CurMor Revised.xls," tab "data," cells d16 and d17.

⁴¹ See Direct Testimony of Linda M. Malone on Behalf of the United States Postal Service (USPS-T-1), December 27, 2013, at 16 (USPS-T-1).

⁴² See Library Reference USPS-LR-N2014-1/18, file "N2014-F2 data So MD Revised.xls," tab "analysis," cells c16, c17, i16 and i17.

⁴³ As previously described in n.25 *supra*, the Southern Maryland Operations Test began on December 5th and is ongoing. Therefore, the January 4, 2014 to January 31, 2014 data provided by the Postal Service is not for the initial weeks of the test, but rather for the second month testing.

Regarding daily street time productivity, the results of the Southern Maryland Operations Test raise substantial concerns about the potential impact of implementing the Load Leveling Plan nationwide. Like the Curseen-Morris Operations Test, the Monday delivered volume increased during the Southern Maryland Operations Test, and it appears that this led to an increase in street productivity on Mondays, compared to the productivity on other days of the week. However, also like the Curseen-Morris Operations Test, carrier street time productivities decreased during the remainder of the week. The following table details street time productivity for Southern Maryland in the baseline period and during the test.⁴⁴

Southern Maryland Delivered Volumes 10/5/13 to 11/22/13					
Day	Total Delivered Volume	Average Delivered Volume	Total Street Workhours	Productivity	Percent Difference from Average
Mon	8,587,032	1,717,406.40	17,255	498	13%
Tue	10,429,925	1,489,989.29	24,220	431	-2%
Wed	10,117,878	1,445,411.14	23,811	425	-3%
Thu	10,268,463	1,466,923.29	24,044	427	-3%
Fri	10,102,943	1,443,277.57	23,824	424	-4%
Sat	10,110,689	1,444,384.14	22,486	450	2%
Total	59,616,930	1,490,423.25	135,639	440	
Tue- Sat	51,029,898	1,457,997.09	118,384	431	-2%

⁴⁴ See Library Reference USPS-LR-N2014-1/18, file "N2014-F2 data So MD Revised.xls," tab "data." The "data" tab contains workhour and volume information for the Southern Maryland Operations Test for the periods of October 1, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014. For the table, only the full weekly data from October 5, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014 (test period) was used. The volume per workhour is calculated by dividing column F "Street Hours" by column L "Total Volume Delivered."

Southern Maryland Delivered Volumes 1/4/14 to 1/31/14					
Day	Total Delivered Volume	Average Delivered Volume	Total Street Workhours	Productivity	Percent Difference from Average
Mon	5,030,494	1,676,831.33	10,286	489	18%
Tue	5,947,515	1,486,878.75	13,856	429	4%
Wed	5,109,816	1,277,454.00	13,918	367	-11%
Thu	6,110,589	1,527,647.25	13,864	441	6%
Fri	5,271,331	1,317,832.75	13,616	387	-7%
Sat	5,212,267	1,303,066.75	13,309	392	-6%
Total	32,682,012	1,420,957.04	78,850	414	
Tue- Sat	27,651,518	1,382,575.90	68,564	403	-3%

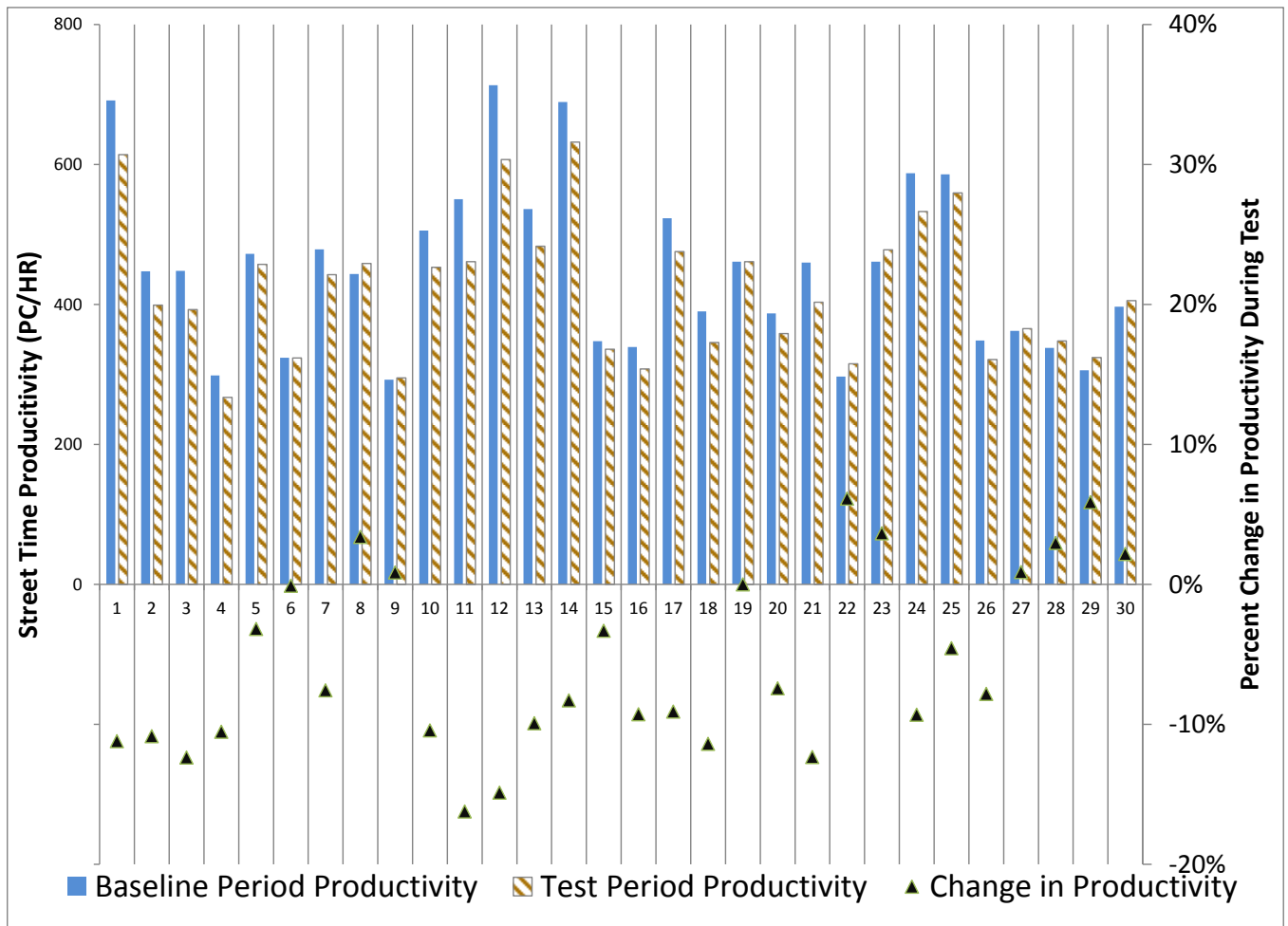
The DOIS data reveal productivity results that match the negative operational impact of the Southern Maryland Operations Test. The Monday delivered volume increased during the operations test, as compared to the rest of the week, resulting the failure to level Monday mail volumes. At the same time, the total volume delivered on Monday declined during the test period, leading to an absolute decrease in Monday productivity, from 498 pieces per hour to 489 pieces per hour. However, the productivity on Monday compared to the rest of the week increased, from 13 percent above average to 18 percent above average. This effect demonstrates the “absorption factor”—the concept that comparatively higher volumes result in comparatively higher productivities and delivery cost savings.⁴⁵ The daily productivities during the Southern Maryland Operations Test reveal that the most significant negative productivity impact occurred on Wednesday and Saturday, with productivity declining by 58 pieces per hour.

The impact of the Southern Maryland Operations Test on productivity by DDU matches the overall results seen both in the Southern Maryland and Curseen-Morris testing areas. The following table details productivity for each of the thirty Southern Maryland DDUs.⁴⁶

⁴⁵ For further discussion of the “absorption factor,” see Initial Brief at 31 n.81, 39.

⁴⁶ The data used to generate this chart is contained in Library Reference USPS-LR-N2014-1/NP9, file “N2014-1 dois SoMD.xls,” tab “Data by Delivery Unit.” The “Data by Delivery Unit” tab contains workhour and volume information for the Southern Maryland Operations Test for the periods of October 1, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014. For the table,

Change in Southern Maryland Productivity by DDU



only the full weekly data from October 5, 2013 to November 22, 2013 (baseline period) and January 4, 2014 to January 31, 2014 (test period) was used.

Overall, productivity declined at twenty-two of the thirty DDUs (73 percent) during the Southern Maryland Operations Test. Productivity decreased by more than 10 percent at nine of the thirty DDUs (30 percent). The variation in productivity change experienced by the Southern Maryland DDUs was less than those seen in the South Jersey and Curseen-Morris testing areas, with a spread of 22 percent (as compared to 29 and 26 percent respectively).

Ultimately, the productivity data from the Southern Maryland and Curseen-Morris Operations Tests confirm the concerns raised by the Public Representative in the Initial Brief.⁴⁷ The key to determining if the Postal Service will realize delivery cost benefits from the Load Leveling Plan depends on whether the “absorption factor” reflects operational reality. If the “absorption factor” reflects operational reality, as the Southern Maryland and Curseen-Morris results indicate, the Postal Service may experience higher costs as a result of the Load Leveling Plan. If the “absorption factor” does not reflect operational reality and street time productivity increases Tuesdays through Saturdays, as the South Jersey results indicate, the Postal Service may experience delivery cost savings as a result of the Load Leveling Plan. The results of the Southern Maryland and Curseen-Morris Operations Tests, which occurred over longer periods, show that higher delivery costs are likely to result in at least some districts. This further underscores the overall uncertainty of what impacts nationwide implementation of the Load Leveling Plan may have on delivery costs and the critical importance of additional testing, study, and analysis prior to moving forward with nationwide implementation.

The Southern Maryland and Curseen-Morris Operations Tests provide unquestionable evidence of the importance of studying the likely impacts of the Load Leveling Plan. During the Southern Maryland Operations Test, the Postal Service estimates that productivity decreased by between 2.6 and 3.7 percent. This led to an increase in of between 2,870 and 4,055 City Carrier Workhours for the month of the

⁴⁷ See Initial Brief at 39.

test.⁴⁸ During the Curseen-Morris Operations Test, the Postal Service estimates that productivity decreased by between 1.6 and 4.0 percent. This led to an increase in of between 1,863 and 4,340 City Carrier Workhours for the month of the test.⁴⁹ Between the two months of testing, city carrier workhours increased by between 4,734 and 8,396 compared to the baseline.⁵⁰ The most recently available figure for the hourly cost of city carriers is \$27.13 per hour and \$41.84 per hour of overtime.⁵¹

By not developing an implementation plan based on a study of the potential cost impacts of the Load Leveling Plan, the Postal Service lost between \$210,501 and \$321,417 in increased carrier pay in January alone due to the Southern Maryland and Curseen-Morris Operations Tests.⁵²

IV. THE POSTAL SERVICE HAS NOT JUSTIFIED THE NEED FOR LOAD LEVELING

A. The Postal Service Has Not Provided Evidence of the Burden that the Load Leveling Plan is Intended to Reduce and Misstates the Extent of Carriers Out Past 1700 Problem

The Postal Service states it “delivers a disproportionate amount of DSCF Standard Mail on Mondays” “[b]ecause of the relationship between mail entry patterns

⁴⁸ The increase in City Carrier Overtime hours for the Southern Maryland test was estimated by the Postal Service to be between 23.2 percent and 24.6 percent, or an increase of between 4,791 and 5,015 for the second month of implementation.

⁴⁹ The increase in City Carrier Overtime hours for the Curseen-Morris test was estimated by the Postal Service to be between 23.2 percent and 24.6 percent, or an increase of between 787 and 1,350 for the month of implementation.

⁵⁰ The Southern Maryland City Carrier workhour increase of between 2,870 and 4,055 and the Curseen-Morris workhour increase of between 1,863 and 4,340. Overtime hours increased by between 5,580 and 6,6366.

⁵¹ See National Payroll Hour Summary Report Pay Period 25 FY 2014 at 44.

⁵² City Carrier Regular Workhour increase of between 4,734 and 8,396 multiplied by the regular hourly rate of \$27.13 is between \$128,426 and 227,722. The City Carrier Overtime hour increase of 5,580 and 6,6366 is multiplied by the difference between the overtime hourly rate of \$41.84 and the regular hourly rate of \$27.13 for an overtime differential of \$14.71. The additional cost of the increase in overtime workhours was between \$82,075 and \$93,645.

for DSCF Standard Mail and the currently applicable service standard.”⁵³ While the record does reflect that a greater proportion of DSCF Standard Mail is delivered on Mondays, the record does not contain evidence of or quantify its relationship to any problem occurring in the postal network. The Public Representative understands that the volume of mail delivered on Mondays may create operational challenges and increase costs, but nowhere in the record has the Postal Service quantified either component of this burden. In the most recent quarter, the Postal Service met its service performance target for DSCF Standard Mail for all days of the week, including Mondays. In addition, the record does not show any correlation between DSCF Standard Mail volumes and many of the issues that the Postal Service believes will be improved or resolved through Load Leveling.⁵⁴ In fact, many of the delivery related issues can be attributed to other sources, including ongoing changes to the postal network and an increase in parcel volume.

1. The Load Leveling Plan “corrects” a service “problem” that does not exist.

The record does not reflect evidence of the burden the Load Leveling Plan is intended to remedy. The stated aim of the Load Leveling Plan is “removing the disproportionate burden associated with Monday Standard Mail delivery that is currently placed on the Postal Service network.”⁵⁵ The Postal Service’s service performance data shows that DSCF Standard Mail currently meets service performance objectives. Thus, the Load Leveling Plan appears to degrade DSCF Standard Mail service without remedying a defined problem.

⁵³ USPS Brief at 1-2.

⁵⁴ These include carriers out past 1700 and carrier overtime hours.

⁵⁵ Request at 2.

Witness Malone states that “a disproportionate share of DSCF Standard Mail is likely to have a Monday delivery expectation.”⁵⁶ The following table details the entry profile of Commercial DSCF Standard Mail by day of the week for FY 2013 Q1.⁵⁷

	Commercial Mail Volume	Percent of Total Volume
MONDAY	3,450,149,998	17.4%
TUESDAY	2,167,423,418	10.9%
WEDNESDAY	2,226,907,777	11.2%
THURSDAY	3,204,926,562	16.1%
FRIDAY	5,936,418,680	29.9%
SATURDAY	2,369,306,187	11.9%
SUNDAY	529,521,474	2.7%
Total	19,884,654,096	

In FY 2013 Q1, nearly 30 percent of Standard DSCF mail was entered on Friday, with an additional 16.1 percent entered on Thursday. Witness Malone states that Sunday is currently measured as a delivery day for DSCF Standard mail entered on Friday.⁵⁸ The combined amount of mail available for delivery on Monday is the build-up of any DSCF Standard Mail entered on Thursday and Friday that has not been delivered by Saturday, as well as the mail entered on Saturday and Sunday. This amounts to 60.6 percent of the DSCF Standard Mail entered weekly. The Postal Service is not required to delivery all this volume on Mondays. Mail entered on Thursday can be delivered on Friday and Saturday, and mail entered on Friday can be delivered on Saturday. The following table summarizes the DSCF Volume in Full Service Measurement in FY 2013 Q1, by day of entry and day of delivery.⁵⁹

⁵⁶ USPS-T-1 at 3.

⁵⁷ The information provided in Library Reference USPS-LR-N2014-1/NP7, file “FY13 STD DSCF Appt-Volume and Service Performance Analysis.” The table is in tab “Q1 FY2013,” with supporting data in tab “Q1 FY2013 Facility Breakdown.”

⁵⁸ USPS-T-1 at 10 n.5.

⁵⁹ The table is calculated using Library Reference USPS-LR-N2014-1/NP7, file “FY13 STD DSCF Appt-Volume and Service Performance Analysis,” tab “Q1 FY2013 Facility Breakdown.”

FY 2013 Q1 DSCF Standard Mail Volume in Full Service Performance Measurement (Millions)							
Day	Full Service in Measurement	Volume Delivered On Day 1	Volume Delivered On Day 2	Volume Delivered On Day 3	Volume Delivered On Day 4+	Volume Delivered Within 3 days	Percentage of Volume Delivered Within 3 days
MONDAY	564.87	181.16	214.01	116.64	53.06	511.81	90.6%
TUESDAY	358.62	97.29	112.77	99.67	48.88	309.74	86.4%
WEDNESDAY	364.39	103.02	106.25	106.24	48.88	315.51	86.6%
THURSDAY	492.35	223.49	-	217.57	51.30	441.06	89.6%
FRIDAY	858.07	178.53	56.99	489.80	132.76	725.32	84.5%
SATURDAY	366.93	37.27	107.96	163.80	57.90	309.03	84.2%
SUNDAY	82.81	14.28	30.85	28.32	9.37	73.45	88.7%
Total	3,088.05	835.03	628.83	1,222.04	402.14	2,685.91	

According to the data provided by the Postal Service, nearly half of the DSCF Standard Mail entered on Thursday is delivered on Friday, but only 20 percent of the volume entered on Friday is delivered on Saturday.⁶⁰ Furthermore, it appears the Postal Service makes an institutional decision not to deliver mail that is entered on Thursday on Day 2, which is Saturday.

The FY 2013 Q1 data shows a service performance issue that occurred for DSCF Standard Mail entered on Fridays and Saturdays. The percentage of mail entered on Saturday in FY 2013 Q1 that was delivered within the service window was 84.2 percent, the lowest score for any day of the week. The percentage of mail entered on Friday in FY 2013 Q1 that met the service standard was a close second, at 84.5 percent.

The following table details the difference in Service Performance between the current three day service standard and a four day service standard for FY 2013 Q1 DSCF Standard Mail.⁶¹

⁶⁰ As detailed in the table, 223 million of the 492 million DSCF Standard Mail pieces entered on Thursday were delivered on day one, Friday. This accounts for the delivery of 45.3 percent of the mail entered on Thursday. On Friday, 858 million pieces in Full Service IMb Service Measurement were entered, and 178 million were delivered on day one, Saturday. This accounts for the delivery of 20.7 percent of the mail entered on Friday.

⁶¹ The table is calculated using Library Reference USPS-LR-N2014-1/NP7, file "FY13 STD DSCF Appt-Volume and Service Performance Analysis," tab "Q1 FY2013 Facility Breakdown."

FY 2013 Q1 DSCF Standard Mail Volume in Full Service Performance Measurement (Millions)					
Day	Full Service in Measurement	Volume Delivered Within 3 days	Percentage of Volume Delivered Within 3 days	Volume Delivered Within 4 days	Percentage of Volume Delivered Within 4 days
MONDAY	564.87	511.81	90.6%	544.59	96.4%
TUESDAY	358.62	309.74	86.4%	341.94	95.4%
WEDNESDAY	364.39	315.51	86.6%	354.79	97.4%
THURSDAY	492.35	441.06	89.6%	475.23	96.5%
FRIDAY	858.07	725.32	84.5%	811.71	94.6%
SATURDAY	366.93	309.03	84.2%	346.67	94.5%
SUNDAY	82.81	73.45	88.7%	79.55	96.1%
Total	3,088.05	2,685.91		2,954.49	

As detailed in the table, the Postal Service would have performed significantly better if the standard for DSCF Standard Mail entered on Friday and Saturday was four days instead of the current three in FY 2013 Q1. Over 10 percent of DSCF Standard Mail entered on Thursdays and Fridays was delivered on the fourth day in FY 2013 Q1, but would be considered timely delivered under the change proposed in this docket.

In general, the Service Performance scores for DSCF Standard Mail steadily increased during FY 2013. In FY 2013 Q1, the national average service performance score for Destination Entry Standard Mail was 83.3 percent.⁶² For FY 2013 Q4, the national average service performance score for Destination Entry Standard Mail increased to 91.7 percent. *Id.* A disaggregated look at the underlying information confirms the across the board impact of the improvement. The following table details the difference in Service Performance between a three day service standard and a four day service standard for DSCF Standard Mail in FY 2013 Q4.⁶³

⁶² See <http://about.usps.com/what-we-are-doing/service-performance/fy2013-q4-standard-mail-quarterly-performance.pdf>.

⁶³ The table is calculated using Library Reference USPS-LR-N2014-1/NP7, file "FY13 STD DSCF Appt-Volume and Service Performance Analysis," tab "Q4 FY2013 Facility Breakdown."

FY 2013 Q4 Standard Mail Volume in Full Service Performance Measurement (Millions)						
Day of Entry	Full Service in Measurement	Volume Delivered Within 3 days	Percentage of Volume Delivered Within 3 days		Volume Delivered Within 4 days	Percentage of Volume Delivered Within 4 days
MONDAY	800.62	769.47	96.1%		790.21	98.7%
TUESDAY	623.45	590.23	94.7%		612.59	98.3%
WEDNESDAY	608.67	573.80	94.3%		602.40	99.0%
THURSDAY	625.82	594.45	95.0%		616.34	98.5%
FRIDAY	1,236.22	1,135.11	91.8%		1,209.78	97.9%
SATURDAY	572.44	527.56	92.2%		560.63	97.9%
SUNDAY	135.23	129.26	95.6%		133.22	98.5%
	4,602.45	4,319.87			4,525.16	

The national target for on-time Service Performance in FY 2013 was 90 percent.⁶⁴ In FY 2013 Q4, the Postal Service exceeded the national target across all days of delivery for the volume in service performance measurement. Thus, it appears that the Postal Service remedied the service performance issues associated with on-time delivery for DSCF Standard Mail during FY 2013. It is perplexing that the Postal Service now seeks to degrade DSCF Standard Mail service despite the fact the Postal Service is meeting the service performance target.

The Postal Service is currently implementing a number of operational initiatives and network changes.⁶⁵ The Public Representative is concerned that one of those changes, MPNR, could be driving the Postal Service's plan to extend DSCF Standard Mail service standards. The following tables detail how on-time service performance for DSCF Standard Mail entered on Friday and Saturday differed between facilities that gained workload as part of MPNR and those facilities that were not directly impacted by MPNR for FY 2013, Q1 and Q4.⁶⁶

⁶⁴ See <http://about.usps.com/what-we-are-doing/service-performance/fy2013-q4-standard-mail-quarterly-performance.pdf>.

⁶⁵ See Initial Brief at 14-17.

⁶⁶ The table is calculated using Library Reference USPS-LR-N2014-1/NP7, file "FY13 STD DSCF Appt-Volume and Service Performance Analysis," tabs "Q1 FY2013 Facility Breakdown" and "Q4 FY2013 Facility Breakdown." To determine if a facility gained workload, the Public Representative used the publicly available file "NRWinter 2013.xls," which can be found at <https://ribbs.usps.gov/importantupdates/NRWinter2013.xls>.

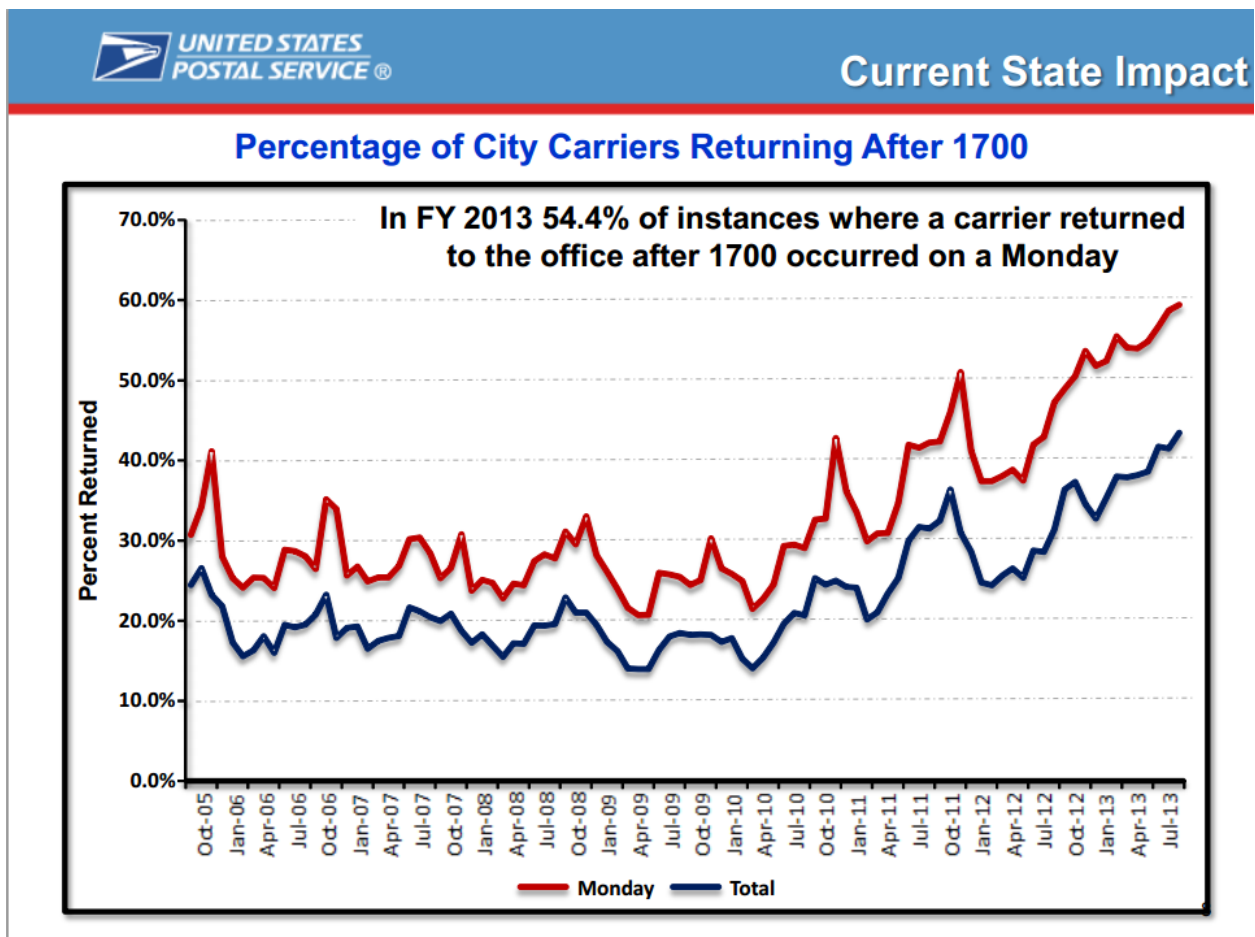
<u>DSCF Standard Mail FY13 Q1 Volume in Measurement entered on Friday and Saturday</u>			
<u>(Volume in Millions)</u>			
	<u>Volume</u>	<u>Delivered on Day 1-3</u>	<u>Delivered on Day 4-6</u>
All Facilities	1,225.00	1,034.35	190.65
		84.4%	15.6%
Gaining Facilities	473.97	392.17	81.80
		82.7%	17.3%
Non-Gaining Facilities	751.03	642.18	108.85
		85.5%	14.5%

<u>DSCF Standard Mail FY13 Q4 Volume in Measurement entered on Friday and Saturday (Volume in Millions)</u>			
	<u>Volume</u>	<u>Delivered on Day 1-3</u>	<u>Delivered on Day 4-6</u>
All Facilities	1,807.29	1,661.47	145.82
		91.9%	8.1%
Gaining Facilities	790.48	714.28	76.20
		90.4%	9.6%
Non-Gaining Facilities	1,016.81	947.19	69.62
		93.2%	6.8%

As detailed in the tables, the facilities that gained workload as part of MPNR had lower service performance than the network as a whole for DSCF Standard Mail entered on Fridays and Saturdays. The difference in service performance was small, 1.7 percent below average in FY 2013 Q1 and 1.5 percent below average in FY 2013 Q4. In addition, “gaining” facilities achieved on-time service performance of 90.4 percent for DSCF Standard Mail entered on Fridays and Saturdays in FY 2013 Q4, above the target of 90 percent. Thus, while it appears the consolidation of mail processing operations had a small negative impact on service performance relative to other plants, the Postal Service’s success in increasing on-time delivery from FY 2013 Q1 to FY 2013 Q4 outweighed any negative impacts related to MPNR. The FY 2013 service performance data shows that the Load Leveling Plan, which seeks to degrade DSCF Standard Mail service standards, is not necessary for the Postal Service to meet its current performance objectives.

2. The Postal Service misstates the extent of the problem of carriers out past 1700 on Mondays.

The Postal Service misstates the extent of the problem of carriers out on their routes after 1700 on Mondays. Witness Malone stated that “I am informed that for FY 2013, 54.4 percent of the instances where carriers are still out on their routes after 1700 occurred on Mondays.”⁶⁷ The Postal Service repeated this assertion in a mailer webinar, as shown in the slide below.⁶⁸



⁶⁷ USPS-T-1 at 17.

⁶⁸ Library Reference USPS-LR-N2014-1/6, file “1-10-14,” slide 8.

These assertions misstated the actual percentage of city carrier returning after 1700 events that occurred on Mondays (as opposed to Tuesdays through Saturdays) in FY 2013.

The following table details the number of carriers that returned after 1700 by day of the week for FY 2012 and FY 2013.⁶⁹

FY 2012 Carriers on the Street After 1700			
Day	Carriers on the Street After 1700	Total Carrier Work Days	Percentage of Carriers on the Street After 1700 for that Day
MON	2,503,177	6,010,790	41.6%
TUE	2,045,212	6,945,207	29.4%
WED	1,775,162	6,796,955	26.1%
THU	1,730,176	6,774,207	25.5%
FRI	1,758,035	6,728,655	26.1%
SAT	1,659,502	6,809,223	24.4%
Total	11,471,264	40,065,037	28.6%

FY 2013 Carriers on the Street After 1700			
Day	Carriers on the Street After 1700	Total Carrier Work Days	Percentage of Carriers on the Street After 1700 for that Day
MON	3,425,978	6,295,109	54.4%
TUE	2,564,982	6,665,885	38.5%
WED	2,385,728	6,920,154	34.5%
THU	2,230,159	6,631,835	33.6%
FRI	2,397,771	6,856,000	35.0%
SAT	2,210,923	6,673,253	33.1%
Total	15,215,541	40,042,236	38.0%

In FY 2013, 54.4 percent of the carriers working on Monday were on the street after 1700. However, the data does not support the Postal Service's claim that 54.4 percent of all of the instances where a carrier was on the street after 1700 occurred on a Monday. In FY 2013, the 3.4 million Monday carrier workdays where the carrier was on

⁶⁹ The data used for this table can be found in Library Reference USPS-LR-N2014-1/10, file "carriers after 1700.xls," tab "data."

the street after 1700 was 22.5 percent of the 15.2 million total carrier workdays that had street time after 1700. This was an increase of 0.7 percent from the FY 2012 rate of 21.8 percent.⁷⁰

From FY 2012 to FY 2013, the number of carrier workdays with street time past 1700 increased by 3.7 million. The Postal Service believes that this is an important issue and that the Load Leveling Plan will reverse the trend of increasing length of carrier workdays. However, the Postal Service has not provided any information that shows a link between the volume of DSCF Standard Mail delivered on Mondays (or any day of the week) and the increase in carrier workdays with street time after 1700. The 3.7 million workdays with carriers out past 1700 more likely was related to the 210 million piece growth of parcels in FY 2013.⁷¹ The in-office and street time workload associated with parcels has not been addressed by the Postal Service in this docket.

3. Standard Mail is Only One Contributing Factor to the Problems the Postal Service Seeks to Remedy

The high volume of DSCF Standard Mail entered on Fridays is only one factor contributing to the problems the Postal Service claims the Load Leveling Plan addresses—mail volumes delivered on Mondays, the percentage of carriers on the street after 1700, and carrier overtime hours.⁷² Nowhere in the record does the Postal Service quantify the scope of the problem it expects the Load Leveling Plan to address nor does it attribute the extent to which the problem is caused by DSCF Standard Mail entered on Fridays. The record reflects that the large-scale entry of DSCF Standard Mail on Fridays is a long-standing practice of mailers, who often require Monday

⁷⁰ In FY 2012, the 2.5 million Monday carrier workdays where the carrier was on the street after 1700 was 22.5 percent of the 11.5 million total carrier workdays that had street time after 1700.

⁷¹ See http://about.usps.com/news/national-releases/2013/pr13_087.htm (stating Package and Standard Mail volumes grew by 210 million pieces and 1.4 billion pieces, respectively.”).

⁷² USPS-T-1 at 3-4, 16; Direct Testimony of Mark H. Anderson on Behalf of the United States Postal Service (USPS-T-2), December 27, 2013, at 4-5.

delivery for business reasons.⁷³ Over the last five years, the proportional volume of Standard Mail being drop-shipped on Friday has not changed.⁷⁴ Yet Monday carrier overtime hours and the number of carriers working past 1700 (both on Mondays and in general) have increased in recent years.⁷⁵ The record fails to show that the problems the Load Leveling Plan seeks to solve are caused by DSCF Standard Mail and can be fixed by changing the DSCF Standard Mail service standard for such mail entered on Fridays and Saturdays.

Many ongoing network changes, coupled with rising parcel volumes, are likely significant contributing factors. For example, although the Postal Service has not performed any analysis concerning whether MPNR impacts mail volumes delivered on Mondays or on the percentage of carriers on the street after 1700,⁷⁶ data provided by the Postal Service in this proceeding shows that the percentage of mail delivered on Mondays increased throughout FY 2013, concurrent with the implementation of Phase 1 of MPNR.⁷⁷ The Postal Service has not provided data sufficient to analyze whether network consolidations have led to an increase in carriers delivering mail past 1700, but anecdotal evidence suggests this may be the case. Concurrent with Phase 1 of MPNR, the number of carriers working past 1700 has increased since FY 2012.⁷⁸ Based on the information provided in this proceeding, it appears that the implementation of Phase 1 of MPNR has placed a strain on mail processing and delivery networks. The Postal Service appears to be attempting to alleviate this strain in the form of the Load Leveling Plan.⁷⁹ Increased mail volumes for Monday delivery, carrier overtime hours, and the

⁷³ Library Reference USPS-LR-N2014-1/12 at 2, 13, 17, 23; Letter from Joseph E. Schick, Director of Postal Affairs, Quad/Graphics, Inc., to Shoshana Grove, Secretary, Postal Regulatory Commission, February 19, 2014, at 1 (Quad Brief).

⁷⁴ Library Reference USPS-LR-N2014-1/12 at 23.

⁷⁵ *Id.*; USPS-T-1 at 17, Table 7.

⁷⁶ Response to PR/USPS-T1-25.

⁷⁷ Library Reference USPS-LR-N2014-1/NP3.

⁷⁸ USPS-T-1 at 17, Table 7.

⁷⁹ Library Reference USPS-LR-N2014-1/NP7.

percentage of carriers on the street after 1700 could similarly be attributed to the Route Adjustment Plan, increased parcel volumes, extended casing times, and the 2,300 Delivery Unit Consolidations that occurred in FY 2013.⁸⁰ The Postal Service's failure to quantify the scope of the problem caused by DSCF Standard Mail and failure to study other potential culprits may result in degradation of service for DSCF Standard Mailers without any corresponding benefit for the Postal Service.

B. The Cross Impacts of the Load Leveling Plan and Mail Processing Network Rationalization Should Have Been Considered

The Postal Service has not performed any study on the cross impacts of the Load Leveling Plan and MPNR.⁸¹ The Public Representative believes this analysis is critical to a complete assessment of: (1) whether the benefits the Postal Service expects to realize from the Load Leveling Plan will be impacted by network changes due to MPNR; (2) whether the data provided in this proceeding has been skewed by MPNR; (3) whether future implementation of Phase 2 of MPNR will impact the success of the Load Leveling Plan; and (4) how the Load Leveling Plan will impact the benefits realized from Phase 1 (and expected to be realized from Phase 2) of MPNR. However, the record contains no information allowing the cross impacts of these two initiatives to be analyzed and understood.

Study of the cross impacts is particularly important because both programs involve service changes that have significant impacts on the mail processing network. Phase 1 of MPNR transformed the mail processing network by consolidating mail processing facilities and altering service standards. Phase 2 of MPNR, which will result in additional facility consolidations and altered service standards, has been delayed.⁸² In consolidating mail processing facilities, MPNR transferred workloads to gaining

⁸⁰ Quad Brief at 1; Library Reference USPS-LR-N2014-1/12 at 23; Initial Brief at 16.

⁸¹ Response to PR/USPS-T1-9; Response to PR/USPS-T1-25.

⁸² Revised Service Standards for Market-Dominant Mail Products; Postponement of Implementation Date, 79 Fed. Reg. 4079 (January 24, 2014).

facilities from closing ones, resulting in larger concentrations of mail volume being processed in each gaining facility. One of the impacts of Phase 1 of MPNR was a substantial decrease in the physical capacity of the mail processing network. On the other hand, the load leveling operations tests have shown that implementation of the Load Leveling Plan will likely require additional capacity at mail processing facilities.⁸³ Excess square footage in the form of trailers was required during the South Jersey Operations Test and was expected to be required during the Suburban Maryland Operations Test due to limited square footage at those facilities.⁸⁴ The Southern Maryland and Curseen-Morris Operations Tests did not require trailers because several delivery units had space available to hold Standard Mail during the tests. *Id.* In light of the fact Phase 1 of MPNR significantly reduced available capacity at mail processing facilities and Phase 2 of MPNR is expected to do the same, it is concerning that the Postal Service has not studied whether the Load Leveling Plan will require additional facility capacity to succeed and whether Phase 1 of MPNR has already removed capacity required by the Load Leveling Plan (and whether that capacity is planned to be removed during Phase 2 of MPNR). The cross impacts of MPNR and the Load Leveling Plan should be better studied and understood prior to proceeding with nationwide implementation of the Load Leveling Plan.

V. “BEST PRACTICES OF HONEST, EFFICIENT, AND ECONOMICAL MANAGEMENT” REQUIRE BETTER DIALOGUE WITH CUSTOMERS

The Postal Service’s failed communication with postal customers is inconsistent with “best practices of honest, efficient, and economical management.”⁸⁵ In Order No. 1926, the Commission granted the Postal Service an exigent rate increase and found that the Postal Service was under an ongoing obligation to use “best practices of

⁸³ Witness Malone stated that the Load Leveling Plan “could increase the use of existing facility square footage at some plants”, but she does not believe it will “require the Postal Service to acquire additional capacity.” Response to PR/USPS-T1-22.

⁸⁴ Response to PR/USPS-T1-18.

⁸⁵ This issue is discussed in greater depth in the Initial Brief, at 24-26.

honest, efficient, and economical management.”⁸⁶ The Commission found that the best practices concept must encompass the unique framework within which the Postal Service must operate and consider that “the PAEA requires the Postal Service to operate both as a financially responsible business and as a public service.” *Id.* at 127, n.119. The Postal Service’s failed dialogue with customers does not demonstrate “financially responsible business” practices nor practices demonstrative of “public service.”

A. Customer Concerns Remain Unaddressed

“Best practices of honest, efficient, and economical management” demands consideration of customer concerns—both from the perspective of offering a public service and as part of operation as a fiscally responsible business. The Postal Service asserts that the Load Leveling Plan was the product of extensive mailer consultation and that postal management has an “unwavering commitment to giving all due consideration to the concerns of affected mailers.”⁸⁷ However, mailers were left with a dramatically different impression. Several mailers state that the Request was filed without consultation with MTAC Group 157, the industry group formed to consider load leveling issues.⁸⁸ Mailers felt that the Postal Service “manipulated MTAC Work Group 157 in order to service [its] purpose” and insinuated in the Request that mailers “were not going to be harmed by changes related to [the Load Leveling Plan].”⁸⁹ The timing of the Request led members of MTAC Group 157 to believe the Postal Service intended “to move forward with service standard changes regardless of feedback from work

⁸⁶ Docket No. R2013-11, Order Granting Exigent Price Increase, December 24, 2013, at 30-31 (Order No. 1926).

⁸⁷ USPS Brief at 7, 8.

⁸⁸ PostCom Brief at 4; Quad Brief at 4.

⁸⁹ Quad Brief at 3; PostCom Brief at 5.

group members and the mailing industry.”⁹⁰ Mailers assert that there are many outstanding questions, issues, and concerns that were never addressed by the Postal Service and that the Request was filed prematurely without waiting for the results of subsequent operations tests.⁹¹ While it is not clear why the Postal Service and mailers have such sharply divergent views of their consultations, it appears the Postal Service ignored customer concerns and moved forward with the Request without addressing questions and concerns, without waiting for the results of additional tests, and without informing the MTAC Group of its decision to move forward with the Request.

Mailers share many of the Public Representative’s questions and concerns about the Postal Service’s lack of study and analysis concerning the Load Leveling Plan. These include the effects of five-day delivery;⁹² the failure to produce a cost-savings estimate;⁹³ the question of whether Postal Service costs will increase as a result of the Load Leveling Plan;⁹⁴ and whether mailers will change entry dates as a result of the Load Leveling Plan.⁹⁵ The Public Representative agrees with APWU’s assessment that “by making the proposal in this case without sufficient justification, the Postal Service has exhibited a regrettable lack of consideration for the needs and opinions of postal customers.”⁹⁶ Failure to study and analyze the potential costs and benefits of a significant business decision (both for customers and for one own business) can hardly be considered “best practices of honest, efficient, and economical management.”

⁹⁰ Quad Brief at 4. See also Letter from Charles R. Thompson, EVP Production Services, WorldMarketing, to Shoshana Grove, Secretary, Postal Regulatory Commission, January 24, 2012, at 2 (stating “the Postal Service has decided to move forward with these changes with limited regard to the views of its customers.”).

⁹¹ PostCom Brief at 4, 5; Quad Brief at 4; Library Reference USPS-LR-N2014-1/12 at 12.

⁹² Quad Brief at 3; Initial Brief at 17.

⁹³ Quad Brief at 4; Initial Brief at 18-19; Brief of the American Postal Workers Union, AFL-CIO, February 20, 2014, at 1 (APWU Brief).

⁹⁴ Quad Brief at 3; Initial Brief at 19-20.

⁹⁵ PostCom Brief at 2; Initial Brief at 21-22.

⁹⁶ APWU Brief at 3.

B. The Postal Service Informed Customers that the Load Leveling Plan Will Be Implemented Regardless of Customer Feedback and the Commission's Advisory Opinion

The Postal Service asserts that postal management has an “unwavering commitment to giving all due consideration to the concerns of affected mailers before any decision to implement the proposed service change.”⁹⁷ However, some mailers “felt railroaded and were told that [the Load Leveling Plan] was a *fait accompli* after one test with little real sharing of results and not enough discussion of implications across the supply chain.”⁹⁸ As Quad/Graphics explained, during a January 10, 2014 webinar with mailers, the Postmaster General stated that he planned to go ahead with the Load Leveling Plan regardless of the Commission's opinion.⁹⁹ Quad/Graphics explained that the Postmaster General's statement led many in the mailing community to feel that “comments would be a waste of time since the [Postal Service] was set on moving ahead with the changes regardless.” *Id.* An announcement by the Postmaster General (during the pendency of this proceeding) that the Load Leveling Plan would be implemented regardless of mailer input and the Commission's opinion hardly reflects “unwavering commitment to giving all due consideration to the concerns of affected mailers before any decision to implement the proposed service change.”¹⁰⁰

The Postal Service's predetermination that the Load Leveling Plan will be implemented regardless of mailer views and the Commission's opinion does not represent “best practices of honest, efficient, and economical management.” While the Commission's opinion is an advisory one and non-binding in nature, the whole purpose of the 39 U.S.C. § 3661 proceeding is for the Commission to provide its expert advice to the Postal Service. To predetermine that the advice is irrelevant to the Postal Service's decision, particularly in light of the fact it is required by statute, does not reflect best

⁹⁷ USPS Brief at 8.

⁹⁸ Initial Brief of American Catalog Mailers Association, February 19, 2014, Appendix at 3.

⁹⁹ Quad Brief at 4.

¹⁰⁰ See USPS Brief at 8.

management practices. Best practices should include consideration of both customer concerns and available advice, even if the final determination differs from the weight of the feedback received. Considering feedback and advice prior to making a final determination is “financially responsible” because it allows for changes and improvements to be made that may lead to cost savings, volume retention, and fewer service and operational disruptions.

VI. CONCLUSION

The Public Representative urges the Commission to hold this proceeding in abeyance for the development of thorough study and analysis of the impacts of the Load Leveling Plan. At this time, the Postal Service’s Request is premature. The Postal Service proposes to implement the Load Leveling Plan nationwide without knowing whether it will reduce or increase costs; result in volume, contribution, and revenue loss; impact the effectiveness of ongoing network changes; and be successful in leveling mail volumes during the week. Two of the three operations tests showed that the Load Leveling Plan may fail to level mail volumes throughout the week, may reduce overall carrier productivity, and may result in increased delivery costs. Those tests stand in stark comparison to the South Jersey Operations Test and indicate that nationwide implementation of the Load Leveling Plan could result in financial loss to the Postal Service. Further testing is necessary to develop a better understanding of whether the Load Leveling Plan will result in the long-term benefits the Postal Service anticipates and provide the parties and the Commission with an adequate basis to consider the costs and benefits of the Load Leveling Plan. Holding the proceeding in abeyance until representative testing is concluded will give the Commission a thorough record on which to advise the Postal Service and will ensure that the Postal Service, parties, and Commission understand the likely impacts to result from nationwide implementation of the Load Leveling Plan.

The Postal Service argued that performing a workload or cost savings study of the Load Leveling Plan was not worthwhile:

While it is feasible to produce some type of workload or cost savings estimate, without having conducted such a study . . . it is difficult to provide in detail the methods for such a study. Moreover, given the limited scope of the proposed service change in this docket, particularly when compared with the service changes at issue in PRC Docket No. N2012-1 and PRC Docket No. N2010-1, it is unlikely that the cost of conducting such an extensive study would be worthwhile.¹⁰¹

By not developing an implementation plan based on a study of the potential cost impacts of the Load Leveling Plan, the Postal Service lost between \$210,501 and \$321,417 in increased carrier pay in January alone due to the Southern Maryland and Curseen-Morris Operations Tests. While studies and implementation plans may be expensive, given the large operational cost of the Postal Service, there is considerable value in studying potential cost impacts prior to implementing a costly and ineffective change across the entire postal network. If the Postal Service does not study what went wrong during the Southern Maryland and Curseen-Morris Operations Tests and remedy those issues prior to nationwide implementation, the increased costs the Southern Maryland and Curseen-Morris testing areas experienced in January could be multiplied by each month and plant that institutes the Load Leveling Plan. Studies that could save the Postal Service millions of dollars are not just worthwhile, they are of critical importance. The Commission should hold this proceeding in abeyance until the Postal Service has studied and analyzed the nationwide effects of the Load Leveling Plan.

¹⁰¹ Response to PR/USPS-T1-21.