

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS McCRERY
TO INTERROGATORIES OF AMAZON.COM, INC.
(AMZ/USPS-T42-5-6,8-9)
(July 27, 2006)

The United States Postal Service hereby provides the responses of witness McCrery to the above-listed interrogatories of Amazon.com, Inc., filed on July 13, 2006. AMZ/USPS-T42-7 has been redirected to witness Miller (USPS-T21).

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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AMZ/USPS-T42-5.

Please refer to your responses to AMZ/USPS-T42-1(b) and AMZ/USPS-T42-2(c), where you state that the Singulate, Scan, Induction Unit (“SSIU”) is and will be one of the primary pieces of equipment used to process machinable BPM and Media Mail at BMCs.

- a. How many separations are the SSIUs capable of achieving?
- b. What is the throughput of the SSIU?
- c. What is the productivity of the SSIU?

Response:

- a. The SSIU is an “add-on” piece of sorting equipment to the BMC Secondary Parcel Sorter Machines. Each BMC has two Secondary Parcel Sorters with SSIUs, except for the Chicago & New Jersey BMCs, which do not have SSIUs.

The separations on Secondary Parcel Sorters range from 724 – 4127 5-digit separations.

- b. The current national average for throughput is 3,520 pieces per hour.
- c. The National average for productivity is 347.

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AMZ/USPS-T42-6.

Your responses to AMZ/USPS-T42-2(b) and 2(c) appear to state that Automated Package Processing System (“APPS”) machines will not be used to process machineable BPM and Media Mail at BMCs. Please explain why the 14 APPS machines currently deployed to BMCs are not, and will not be, used to process machineable BPM and Media Mail.

Response:

It has been determined that in BMC facilities used for the regional distribution of parcels under the current or realigned network, secondary parcel sorting machines – which have recently been modified with SSIUs (see USPS-T-42, pages 23 and 24), continue to have a useful life, and distribute to a large number of separations – will continue to be used for the distribution of machineable parcels, including BPM and Media Mail. The APPS will be sized and deployed in BMC facilities primarily for the processing of bundles.

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AMZ/USPS-T42-8.

Your response to AMZ/USPS-T42-1(f) states that parcels for certain lower-volume 5- digit destinations are massed together and sent from the BMC to the plant for further separation.

- a. After such parcels arrive at the plant, is the further separation to 5-digit destinations achieved on mechanized sorting equipment, or manually?
- b. Please describe the handling process for parcels at plants.

Response:

- a. Manually.
- b. Containers of parcels are sorted to individual 5-digit zones in manual breakup units (sack rack, bullpen, etc).

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AMZ/USPS-T42-9.

Please refer to your responses to AMZ/USPS-T42-2(c) and AMZ/USPS-T42-4(d) which appear to state, respectively, that:

- “even under a realigned network,” APPS will **not** be used to sort machinable BPM or Media Mail; [Response to AMZ/USPS-T42-2(b) and (c).]
- “by centralizing the processing of small parcels [under network realignment] more will be processed on APPS rather than on less productive SPBS or manual operations.” [Response to AMZ/USPS-T42-4(d).]
 - a. Please explain why the more productive APPS machine will not be used to sort BPM and Media Mail parcels after the first 76 APPS machines are deployed.
 - b. If the more productive APPS machines will not be used to process BPM and Media Mail parcels, what efficiencies does network realignment offer to parcels in BPM and Media Mail?
 - c. Does network realignment envision any automated or mechanized sortation of small parcels to carrier route (e.g., in those 5-digit destinations that receive a higher volume of parcels)?

Response:

a – b. See response to AMZ/USPS-T42-6. The current realignment plans dictate that in any facilities established for the consolidated regional distribution of parcels that are not former BMC facilities, APPS equipment will be utilized for the distribution of machinable parcels, including BPM and Media Mail parcels.

c. No.