

Before the
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

Evolutionary Network Development)
Service Changes, 2006)

Docket No. N2006-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS PRANAB M. SHAH (OCA/USPS-T1-1-3)
March 3, 2006

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-1-7, dated March 3, 2006, are hereby incorporated by reference.

Respectfully submitted,

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Officer of the Commission

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OCA/USPS-T1-1. Your testimony discusses the Evolutionary Network Development (END) models as identifying potential facility and network realignment opportunities, at page 9, line 12, through page 10, line 20.

- a. Please explain the structure of the END model, including inputs, outputs, and functions/computations which it models.
- b. Given that the END model is a maximization/minimization model, what objective function is being maximized/minimized, in terms of variables and functional form.
- c. Please explain how the spreadsheets of AMP Handbook PO-408, used for applying an AMP review process, interface with the END program.

OCA/USPS-T1-2. Please turn to your testimony, page 6 lines 19 to 23. You discuss excess capacity.

- a. How would one determine the level of excess capacity, excess transportation, or redundancy of operations?
- b. Has the Postal Service analyzed the level of excess capacity in the network, and what are the cost implications of the excess capacity?

OCA/USPS-T1-3. Please turn to your testimony, page 9, lines 14 through page 1, line 11. Please explain further the differences between the optimization and simulation approaches.

- a. Are the approaches substitutes for each other or, alternatively, are they used concurrently or sequentially?

- b. Assuming that the answer to (a) is sequentially, please provide details on how the results from the optimization approach are a substitute, input, alternative, or factor for consideration in the simulation modeling effort.
- c. Please show the similarities and differences of output from the two approaches.
- d. Please explain where the two approaches are consistent and/or inconsistent with a benefit-cost approach.