

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

EVOLUTIONARY NETWORK DEVELOPMENT
SERVICE CHANGES, 2006

Docket No. N2006-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SHAH
TO POSTCOM INTERROGATORIES
(POSTCOM/USPS-T1-3, 4(a), 6, 8, 14 AND 15)
(June 6, 2006)

The United States Postal Service hereby submits the responses of witness Shah to the following interrogatories of POSTCOM, filed on May 19, 2006:

POSTCOM/USPS-T1-3, 4(a), 6, 8, 14 and 15. Each interrogatory is stated verbatim and followed by the response.

The following interrogatories have been redirected from witness Shah to the Postal Service for institutional response: POSTCOM/USPS-T1-4(b), 5, 7, and 11 through 13. The following interrogatories have been redirected from witness Shah to witness Williams for response: POSTCOM/USPS-T1-9, 10 and 16.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SHAH
TO INTERROGATORY OF POSTCOM**

POSTCOM/USPS-T1-3. USPS Library Reference N2006-1/9 provides a copy of presentation slides from a technical conference that was held to address the Evolutionary Network Development model. With respect to slide no. 3, please describe the "Distribution Concept". What are the various "Distribution Concepts" that the Postal Service considered?

RESPONSE:

The distribution concept mentioned on slide 3 of USPS Library Reference N2006-1/9 refers to the RDC concept. The overarching distribution concept is centered around shape based processing. Under the concept of shape based processing, we looked at various combinations of where to perform various mail processing operations. For example, locating letter and flat single piece outgoing secondary distribution at the RDC versus at the LPC.

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POSTCOM/USPS-T1-4. Please refer to USPS Library Reference N2006-1/9, slide 5.

- a. Please spell out all the abbreviations used on this slide to describe the current network.
- b. Please describe each facility in the current network in terms of the types of mail eligible to be entered, and degree of preparation required for the mail to be entered at each facility. Specifically, please identify the types of mail eligible to be entered at each facility and the degree of preparation by shape, subclass, rate category and rate element, including presort and destination entry discounts. Please also include in your discussion Delivery Distribution Centers (DDCs) and Area Mail Processing Centers (AMPS), and any other current facility types.

Response:

- a. Please consult USPS Library Reference N2006-1/1, which defines facility types.
- b. Redirected to the Postal Service for response.

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POSTCOM/USPS-T1-6. Please refer to USPS Library Reference N2006-1/9, slide 6. Please describe each facility in the future network in terms of the types of mail sorting equipment generally expected to be located at each facility type, and the subclasses of mail expected to be sorted.

RESPONSE:

For modeling we assumed Regional Distribution Center mail processing equipment including APPS, SPBS, Parcel Sorting Machines (if the RDC is a BMC in the current network) and material handling equipment. A Local Processing Center was assumed to have AFCS, DBCS, AFSM 100 and FSM 1000s. A Destinating Processing Center was assumed to have DBCS, AFSM 100s and FSM 1000s.

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POSTCOM/USPS-T1-8. Please relate or map the general activities performed at each current network facility type (as identified in response to POSTCOM/USPS-T1-4) to the general activities performed at each future network facility type (as identified in response to POSTCOM/USPS-T1-5).

RESPONSE:

Please refer to Slide 6 of Library Reference N2006-1/9.

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POSTCOM/USPS-T1-14. Please describe the constraints applied in the END model with respect to service standards.

RESPONSE:

The existing Service Standards for all classes are used as constraints within the simulation model.

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POSTCOM/USPS-T1-15. Please describe how the END model (in particular, the Simulator) is used to evaluate locally whether an individual AMP proposal is feasible from the Postal Service's and the mailers' perspective. Please provide an example of this analysis.

RESPONSE:

The model is used to evaluate whether consolidation of mail processing and transportation operations among postal facilities in the postal network is feasible.

For an example, please refer to the Bridgeport simulation slides at the end of USPS Library Reference N2006-1/9. The model is not designed to model mailers' operations.