

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

EVOLUTIONARY NETWORK DEVELOPMENT  
SERVICE CHANGES, 2006

Docket No. N2006-1

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORIES  
NNA/USPS-T2-1 THROUGH 20  
(June 9, 2006)

The United States Postal Service hereby submits the response of witness Williams to the following interrogatories of the National Newspaper Association, filed on May 23, 2006: NNA/USPS-T2-1 through 20.

The interrogatories are stated verbatim and followed by the responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux  
Chief Counsel, Ratemaking

---

Michael T. Tidwell

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2998; Fax -5402  
michael.t.tidwell@usps.gov

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-1** In your testimony on pg. 3 you said local AMP studies are typically initiated when a District Office or Processing & Distribution Center (P&DC) management decides service or efficiency could be improved through consolidation. Are AMP studies ever initiated in whole or in part through any of the following:

- a. an order from Postal Service headquarters
- b. purely to improve service—without regard to efficiency gains—in an area where service had deteriorated
- c. a requirement from officials senior to a district office or a P&DC manager to cut expenses

**RESPONSE**

a-c. I am not aware of any AMP feasibility studies which resulted from a direct order from headquarters, or as a specific requirement to district management to cut expenses. The Postal Service evaluates AMP opportunities which may result in service and/or efficiency improvement. I am not aware of any AMP study undertaken specifically to improve service alone in a location not meeting service expectations.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-2** Please refer to LR 1/3, pages 1 and 6 and Worksheet 1.  
Would the lack of consent by the manager of a facility proposed for consolidation  
be sufficient to halt consideration of an AMP?

**RESPONSE**

No.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-3** Would the manager of a facility that might be closed or significantly downsized by an AMP consolidation have a personal or professional disincentive to propose and/or consent to a consolidation? If so, how does the Postal Service overcome the resistance of a manager to possibly losing his job or managerial post?

**RESPONSE**

Postal management involved in the individual AMP opportunities are cognizant of the need to reduce the excess capacity in our processing network and work together to achieve network efficiency. Under the END program, consolidation opportunities are identified by the END team at headquarters which, through the Area office, directs that studies be initiated. The full cooperation of local management is expected. Insubordinate managers who resist compliance with directives put themselves at risk of losing their jobs and managerial posts.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-4** What financial or career incentives do managers have to initiate an AMP proposal?

**RESPONSE**

Outside the context of END, a manager who pursues opportunities to improve efficiency and achieves such improvements can expect such accomplishments to be considered during the merit review and succession planning process.

Otherwise, see the response to NNA/USPS-T2-3.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-5** You refer to the use of press releases to notify local news media throughout your testimony and interrogatory responses. Please confirm that:

- a. 'press release' is an announcement by the Postal Service intended to be used in news columns or broadcasts;
- b. news media are free to use, edit or ignore press releases
- c. the Postal Service typically does not purchase paid advertisements to ensure that its message about AMP consolidation reaches citizens.

**RESPONSE**

a-c. Confirmed.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-6** Please refer to your response to APWU/USPS-T2-7.

- a. Does your response mean that local/district managers have complete discretion in choosing which media or members of the general public receive information about a planned AMP process and/or a result?
- b. Do these managers also have the discretion to disseminate no information?

**RESPONSE**

- a. The local/district management team determines the stakeholders to be included on AMP worksheet #3 communications.
- b. Worksheet #3 communications documentation must be completed and submitted with each AMP feasibility study.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-7** Has the Postal Service discussed with these managers any criteria or guidelines in how to select which types of information are disseminated, and to whom? If so, please describe or provide copies of written criteria or guidelines. If not, please explain why the Postal Service has determined that these local/district managers are qualified to make these communications decisions.

**RESPONSE**

See USPS Library References N2006-1/3 and N2006-1/12. The appropriate local/district manager with functional responsibility for a particular category of stakeholders listed on the worksheet #3 communications document determines the appropriate organizations, people, or groups to notify. For example, the Manager, Public Affairs & Communications would determine the stakeholders for the media & local newspaper categories to reach those that may have an interest in the AMP study. These managers are expected to use their knowledge of local customers and circumstances and to exercise their judgment.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-8** Does the Postal Service publicize its AMP plans to communities surrounding a facility planned for consolidation into another gaining facility as well as those in the city where the consolidated facility is sited, such as in surrounding suburbs or small towns where mail volumes that otherwise might be transported to the effected facility? If your response is yes, please explain how the Postal Service identifies the media to be contacted? If your response is no, please explain why not.

**RESPONSE**

See the response to NNA/USPS T2-7.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-9** Please refer to your statements on p. 14 on the importance of communications with “impacted business mailers” and “local major customers.” With respect to direct communications made to business mailers:

- a. How large must a “major” customer be to receive direct notice of a potential mail entry and processing change?
- b. Who determines which customers are “major?”
- c. Would a local newspaper whose primary circulation method involves distribution through an affected facility be considered a “major” customer?
- d. Would a publisher whose mail is considered “hot mail” by a facility typically receive a direct contact with regard to the planned changes?
- e. Would the Postal Service consider a news release intended for the general public to be sufficient notification of the planned changes for a local newspaper mailers?
- f. Do press releases distributed to the general public discuss any anticipated downgrades of service to any mail class?
- g. Do Postal Service officials when conducting a public meeting discuss any anticipated downgrades of service to any mail class?
- h. Do contacts with “major customers” or BSN customers by Postal Service officials discuss any anticipated downgrades of service to any mail class?

**RESPONSE**

- a-e. See the response to NNA/USPS T2-7.
- f-g. Impacts on both service standards and customer service are discussed in the AMP Summary brief which accompanies the notice to stakeholders of the public meeting, are discussed at the public meeting, and are posted on the usps.com website.
- h. That may occur. However, see the response to NNA/USPS-T2-10.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-10** Are Postal Service personnel outside the Communications Group mentioned in your testimony, such as BME staff, encouraged to or discouraged from discussing the AMP plans with mailers with whom they are in contact, if the personnel are aware of the analysis or plans to move forward?

**RESPONSE**

Once an AMP decision is made and postal union and employees are notified, the BMEU staff become an integral part of communicating to business customers and they are encouraged at that point to provide information regarding the AMP implementation. Until such time, personnel outside of the AMP decision-making process can only speculate about what may happen. The Postal Service discourages the dissemination of uninformed speculation to customers.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-11** Please refer to your response to APWU/USPS 18e. Please confirm that [www.usps.com](http://www.usps.com) contains a link to a page entitled "Contact us" with a response form under a further page linked to "email us." If a member of the public commented upon an AMP proposal through this means, would the comment be included in the Headquarters review of the AMP proposal?

**RESPONSE**

When a specific AMP summary is posted at [www.usps.com](http://www.usps.com), it will include the specific name and title of the postal official to whom comments regarding that AMP proposal should be directed. The Postal Service makes no assurances that correspondence sent to other addressees within the agency will always be interpreted as pertaining to a particular AMP proposal or directed to the manager of the comment file for a particular AMP proposal for consideration.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-12** Please explain what response a member of the public would most likely receive if he or she contacted the Postal Service to complain about a service disruption that resulted either temporarily from an AMP reorganization or permanently because of reorientation of the service expected between two 3-digit pairs if the complaint came through:

- a. The USPS website
- b. 1 800 ASK USPS
- c. Consumer affairs personnel at USPS
- d. A member of Congress to the Communications Group

**RESPONSE**

See the response to NNA/USPS-T2-11. I am informed that communications outside the AMP public input process from the sources listed above will handled as such communications are routinely handled.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-13** Does the Postal Service measure or factor in the cost of handling stakeholder, customer or consumer complaints resulting from service disruption as a part of the cost/savings in a consolidation, either within the AMP calculations or in final deliberations?

**RESPONSE**

No.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-14** To your knowledge, has an AMP ever been reversed solely because of service considerations?

**RESPONSE**

I am informed that the Hattiesburg, MS AMP was reversed in 1999 but I am not familiar with the specific reasons for the action.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-15** In previous AMPs that resulted in a consolidation:

- a. did local mailers affected by a consolidation always retain access to a BMEU at the consolidated facility?
- b. If not, how does the Postal Service consider the effect upon mailers' costs in hauling mail for entry over longer distances?
- c. In the AMPs now under consideration in the END analysis, will mailers always retain access to a local BMEU? If not, how will the Postal Service factor in the additional transportation costs of mailers that previously used a BMEU at the consolidated facility?

**RESPONSE**

- a. No.
- b. BMEU customers are provided alternative entry point locations if a facility is closed. The Postal Service is aware that there may be costs to mailers associated with such changes. However, the AMP process does not include an analysis of any such costs.
- c. That remains to be seen until those studies are completed and final decisions are made.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-16** Please refer to your response to APWU/USPS T2-15d. Does the Postal Service have any mechanism for considering the burdens upon mailers imposed by a consolidation, either through qualitative evaluation, an AMP input or customer commentary?

**RESPONSE**

See the response to NNA/USPS-T2-15. The Postal Service imposes no subject matter limitation on comments that are submitted as part of the AMP public input process.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-17** Please refer to your response to APWU/USPS T2-16. In addition to considering the impact a mailer's volumes might have upon a facility, if a local/district manager is aware of a mailer whose critical entry times might be negatively impacted by a consolidation of originating mail processing—such as a local newspaper dependent upon timely delivery—would you expect that manager to provide notice to that mailer? If not, how would such a mailer receive notification of an AMP's initiation, conclusion or implementation? Assume for purposes of this question that the local mailer is not a newspaper targeted by those managers for a press release.

**RESPONSE**

Yes. See the responses to NNA/USPS T2-7 through 9.

## **RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-18** Please refer to your response to OPA/USPS T1-17, which was redirected to you by witness Shah. Does your response mean that in every case where no First-Class Mail downgrades are expected to occur, neither will periodicals downgrades be expected? If your response is negative, please explain:

- a. in what circumstances you would expect periodicals service to be affected differently;
- b. how the Postal Service would measure the anticipated differences;
- c. whether the Postal Service would communicate that expectation to the periodicals mailer;
- d. how communications to that periodicals mailer would typically be handled if the mailer was not considered a “major customer” or was not a part of the BSN.

### **RESPONSE**

That is my expectation, except in circumstances where it is discovered that Periodicals service standards exceed those for First-Class Mail. In those circumstances, I would expect parity to be restored, if required. At a minimum, the Postal Service would expect Periodicals mailers concerned about a particular AMP who are not notified as part of the AMP Worksheet 3 process to do what other non-Worksheet 3 mailers are expected to do: be alert to information that may be disseminated locally in the public media and examine AMP summaries that are discussed at AMP public town hall meetings and that get posted on [www.usps.com](http://www.usps.com) for comment.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-19.** Please refer to the worksheets in LR 1/5, enumerated pages 000005 referring to the Pasadena-Santa Clarita AMP, 00027, referring to the Olympia AMP, page 00049, referring to the Waterbury-Southern Connecticut AMP, page 00068, referring to the Bridgeport-Stamford Connecticut AMP, page 00085, referring to the Greensburg-Pittsburgh AMP, page 000099, referring to the Trenton-Kilmer AMP, 000134 referring to the Northwest Boston P&DC, pg 000140 referring to the Kinston-Fayetteville AMP, pg 000155 referring to the Marysville-Sacramento AMP and page 000172, referring to the Mojave-Bakersfield AMP.

- a. Please confirm that the newspapers contacted in each of these AMP plans as media contacts were daily newspapers, and not community weekly newspapers.
- b. Did the contacts involve only news dissemination or did they also encompass discussions of the effect of the AMP changes upon that newspaper's own mail?

**RESPONSE**

- a. That is my understanding.
- b. The contacts involved notification of the AMP study and the study decision.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS WILLIAMS  
TO NATIONAL NEWSPAPER ASSOCIATION INTERROGATORY**

**NNA/USPS T2-20.** Please refer to LR 1/5 with reference to the Marysville – Sacramento AMP, particularly with respect to the assumptions page 000168.

- a. Was the Marysville P&DF closed or will it be closed as a result of the approval of this AMP?
- b. If it remains/will remain open, how will the UFSM 1000 proposed to be transferred to that facility be used? If your response is that it will be used for destinating mail, is there also an AFSM 100 in that plant? Has the Postal Service determined that sufficient destinating flat mail that can be run on a UFSM 1000 will remain in that plant to justify the use of that machine?

**RESPONSE**

- a. No.
- b. The UFSM will be used to upgrade and process additional flat mail volume. There is no AFSM 100 at Marysville. Yes.