

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  
(OCA/USPS-49-56)  
June 12, 2006

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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-1-5, 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-49. Please refer to the response to APMU/USPS-T1-5(d-e).

- a. Please confirm that the RDC network including some or all of the existing BMCs will be a national network.
- b. Please confirm that the activation of the RDCs and the degree of individual BMC/RDC service area overlap causing an unknown number of changes in package service standards between 3-digit ZIP Code area pairs currently serviced by the BMC network will result in changes in postal services on a substantially nationwide basis.

OCA/USPS-50. Please refer to your response to OCA/USPS-41 that the AMP consolidations pursuant to END are expected to take at least several years to implement.

- a. Please confirm that the transition of BMCs and other facilities and the construction of new RDCs will not involve completing an AMP analysis for the RDC facility but will involve application of results from the END process and an analysis using RDC documentation currently under development.
- b. Will the RDC transitions occur only after the completion of the changes resulting from the AMP consolidations in several years? If not, what is the timetable for their implementation?

OCA/USPS-51. Please refer to the response to OCA/USPS-40 indicating “there has been no suggestion by the Postal Service that the Commission not review documents that the Commission determines to be relevant to the request in this proceeding.”

- c. Please confirm that the post-implementation review document format and procedures for AMP consolidations are relevant to the request in this proceeding?

- d. Please confirm that the RDC planning documents under development and the RDC Activation Communication Plan are not necessary to review the AMP consolidations portion of the END proposal?
- e. Please confirm that the plan to create the RDC network to include the transition of many current BMCs to RDCs is a program separate and apart from the AMP consolidation process.
- f. Please confirm that the transition to an RDC network is a program of the Postal Service for which a separate proposal will be filed pursuant to §3661 of the Postal Reorganization Act.

OCA/USPS-52. Please refer to the response to POIR No. 3, question 7 in which reference is made to “a new software system called TOPS, which is in the process of development” to reduce excess transportation capacity and for better cubularization.

- a. Please explain more details about the TOPS development such as the timetable for development, the developer, the cost, the general method of application, to which classes of mail will it apply, whether it will be applied only outside of the END model, and whether it will be used in determining the RDC network.
- b. Will the transportation cost savings obtained by using this software be measurable?

OCA/USPS-54. Please refer to the response to POIR No. 3, question 8. The response states the results of the Simulation model do not provide geographic location in the future network of RDCs, LPS and DPC. Please explain how the final location for each of these facilities is determined.

OCA/USPS-53. Please refer to the response to POIR No. 3, question 9 where it is stated facility-specific costs are considered by the END model as the core cost function are developed. Please explain the “core” cost functions and when they are developed.

OCA/USPS-54. Please refer to the response to POIR No. 3, question 11. The response indicates the cost model inputs to the END model include empirically estimated scale “economies” achieved in plants and/or operations. Please indicate whether those estimates of scale economies are estimates of historical economies or whether the inputs include estimates of future scale economies not yet actually realized.

OCA/USPS-55. Please refer to the response to POIR No. 4, question 4. Please clarify that the response indicating ZIP Code pairs are held constant when developing the future network does not mean that there have not been any changes anticipated in the service standards between ZIP Code pairs as a result of implementing the AMP consolidation process.

OCA/USPS-56. Please refer to the attached June 6, 2006 report of the Rockford Register Star of Rockford, Illinois reporting on a public hearing at the Northern Illinois University Outreach Center in Rockford on Monday June 5, 2006, about the future consolidation of the Rockford P&DC operations into the Palatine P&DC facility. The report indicates Bill Galligan, senior vice president of operations of the Postal Service, stated at the meeting that of the 11 consolidations that the Postal Service has done, service has improved or has been maintained.

- a. Please confirm that the 11 consolidations referred to were the ten consolidations listed in library references LR-N2006-1/5 and 6. If not, please explain, and list the 11 consolidation to which he referred.
- b. Please confirm that only one of those consolidations, the Marina, California P&DC, has been completed and that no post implementation report had been completed on any of those consolidations at the time of his statement. If you do not confirm, please explain.
- c. Please confirm that Mr. Galligan was basing his statements upon the AMP documentation estimating the impact on 3-Digit Zip Code pair service commitments at the facilities being consolidated and not on the actual impact of those consolidations. If you do not confirm, please explain.
- d. Please confirm that although the AMP process includes an estimation of the number of changes to the service commitments for 3-Digit ZIP Code pairs serviced by the facilities, the actual impact on service and whether it has been improved or maintained by a consolidation cannot be measured until after the consolidation has been completed and operational experience has been gained. If you do not confirm, please explain.
- e. Please confirm that the planned post implementation review will not access the impact on service performance and thus cannot determine whether it has been improved or maintained, in part because the post implementation review does not and is not now intended to compare actual service performance before and after consolidation for any class of service. If you do not confirm, please explain.