

# MTAC FAST UG 3

01.21.2015

## Agenda

- Roll Call + Review Meeting Minutes (~5 minutes)
- Updates (~5 minutes)
  - Mail.XML Version 10.0 No Longer supported: R41
  - Issue Regarding Testing FAST TEM Environment Follow Up
    - Is testing for making an appointment for HUBS working?
- eInduction Pilot at Non-SV Sites Update (~5 minutes)
- Network Rationalization Presentation (~40 minutes)
- Wrap-up: Questions & Action Items (~5 minutes)

## Reference Material: FAST\_UG3\_01212015



FAST UG 3 Slides  
01-21-2015\_V2.pptx

## Attendees

- Nancy
- Nancy Garrison
- Daniel Myrum
- Danielle Hobart
- Henry Dominguez
- James Whitcomb
- Joseph Szmazdzinski
- Kelly Lorchick
- Lance Bell
- Lynn
- Mary Beth Ramey
- Matt Taylor
- Patrick Greer
- Rick Baxter
- Victor Orbegoso
- Angela Dyer
- Angelo
- Ariel Garcia
- Bill Yusavage
- Bob Rosser
- Brad Lammers
- Carl Bartee
- Carlos Cruz
- Charley Howard
- Cliff Pannella
- Craig Howles
- Danielle Aleman Rojas
- Anne Skroch
- Chip Brown
- Chris Moning
- Alvin Serrano
- Amy Liermann
- Anna Klein
- Carl Schindler
- Claudia Munoz
- Cliff Pannella
- Danielle Hobart
- David Glowny
- Deb Williston
- Deborah Damore
- Don
- Doris Norman
- Gail Milton
- Jason Morris
- Jeffrey Stickel
- Jesse Davidson
- Kathy Clark
- Joanne Kovolisky
- Kathy Clark
- Ken
- Kevin Bray
- Kevin Elkin
- Kim Mauch
- Kurt Ruppel
- Linda Gustason
- Lynn
- Mark Benter
- Mark Fox
- Mark Kolb
- Mary Beth Ramey
- Matt Taylor
- Michael Patterson
- Michelle Zalewski
- Miguel Barriga
- Monica Lundquist
- Nancy Mai
- Patrick Greer
- Phil Thompson
- Randy Workman
- Rich Domagala
- Richard
- Rick Baxter
- Robert Weismiller
- Rose Flanagan
- Sebastian Aguiari
- Shawn Graves
- Steve Krejcik
- Susan Pinter
- Tony Cheever
- Ty Inman
- Victor Orbegoso
- Ed Wanta

## Notes

### Roll Call + Review Meeting Minutes

- Meeting minutes have been posted to MITS

### Updates

- Mail.XML Version 10.0 is no longer supported with Release 41
- USPS does not believe there is an issue regarding the Testing FAST TEM Environment. If there is an issue the USPS would like to know

### Non SV sites

- The USPS is rolling out eInduction to **ALL Non-SV** sites starting **January 26<sup>th</sup>**
- The Postal Service asks mailers to contact USPS at the eInduction USPS email account ([eInduction@usps.gov](mailto:eInduction@usps.gov)) about concerns with scans, misshipped containers etc during national employment. This will be communicated up through the national deployment date
- From mailer perspective it is the same process. A mailer sets documentation for eInduction= "Y", creates an appointment and enters the mail
- USPS will start showing the visibility of the containers as they enter our facilities
- The difference between Non SV and SV is the interaction of container status. From a mailer perspective our scanners do not have an interactive way to tell if the container should be at a certain site
- USPS has dedicated ourselves over the coming weeks and months to provide visibility as to what is going on in our facilities at no cost (no invoices) to the mailing industry. We will be looking at every detail (ie: are the scanners set up correctly is it going to the correct facility, are there process issues etc). We need to see where the Postal issues and communicate them to the mailers
- USPS asks that anyone sending mail to a non SV site contact our eInduction email account. We monitor the email account and look to help mailers with mail entry at non SV sites
- USPS is providing the industry a list of current SV and non SV sites. The list will include area, district, site name, locale key, zip code, finance and NASS Code
  - **Q:** Does that include air?
  - **A:** No. It is all Postal Facilities.
- **Q:** Apparently some of the mailers are going to include air box containers in the new process in eInduction starting as early as this weekend.
  - **Action:** Potential for air boxes coming in with intelligent mail barcodes but without the 8125
  - USPS to send out an update on this

### Network Rationalization Presentation

#### Business Imperative

- Financial losses of \$26 billion over last 3 years
- Continued decline of First Class mail volume
- Increasing wage inflation and operating costs
- Increasing debt pressures
- Uncertainty regarding legislative reform
- Review of postal prices in courts
- Needed capital investments to acquire package sorting equipment and replace aging delivery vehicle fleet

### Future network

- Preserves Approx. 66% of Overnight Delivery Volume
- Revised Entry Times
- Reduced Equipment
- Reduced Footprint

### Phase II Benefits

- Reduce Excess Capacity
- More Efficient Transportation Network
- Fully Utilized Workforce
- Up to \$750 Million Cost Reduction

### First Class Mail

- We are in phase 2 now in January. Overnight: First Class Presort mail, properly prepared, containerized, for local plants SCF service area, entered by applicable CET
- 2-day: Intra-SCF single-piece mail or maximum 6 hour drive time between originating facility and SCF facility
- 3-5 day: Everything else

### Periodicals

- End-to-end Periodicals transported with First-Class Mail pieces on surface transportation move to a minimum 3-day service standard (equal to the sum of 1 day plus the FCM service standard)

### Concept of 24-Hour Plant Operations

- Our Primary Operations are 8:00AM-12:00PM. BMEU is 8:00AM-7:00PM. Outgoing operations 5:00PM-12:30PM. Continuous DPS/Secondary Operations (12:00PM-6:00AM). There is continuous remittance/caller service processing 8:00-6:00
- There is a break in time to clean

### USPS Modeled Processing: Network Phase II

- USPS is getting rid of some facilities
- Phase 2 started in January and will end in September
- There are 82 facilities that could have some type of consolidations

### Plant Consolidation

- Decrease in processing locations through 2016
  - There has been some concerns with a slow down in first class letters and some standard letters
  - **Q:** Do you have a specific area
    - **A:** No. This is in preparation for MTAC. Linda Malone is aware of this. Data has been shared with Linda.

### Employees

- The move changes some of our positions and people have to change hours. There are regular meetings with management and the unions
- Methodical, measured transition
- Options available for staying with the Postal Service
- Proven track record of working with Unions and Management Associations; success through attrition

### High Levels of Service Performance Expected

- There is flawless execution with an early warning system well established and recovery “Tiger Team”
- There are tools and processes in place to ensure High Level of Service Performance
  - Early Warning System well established
  - Mail move plan updated and posted on RIBBS
  - Continued communication with the mailing industry
  - Site Intervention based on Early Warning System
  - Feedback system in place to address customer issues:
    - CustomerFirst! System
    - BSN eService

### Mail Move Plan

- Go to RIBBS for the mail move plan. This is updated and posted on RIBBS
- Enables mailers to plan consolidation implementation progress
- Files provides targeted mail move consolidation site information, type, and date
- Next move is Feb 14
- Mail Move Plan File Includes:
  - Consolidation sites scheduled for 2015
  - Site address, locale key, and the name of the activation (gaining) facility
  - Mail shape effected (e.g. letters, flats, parcels/bundles)
  - Process step/entry level ( e.g. originating, destination, and DPS)

### RIBBS FAQ's

- New piece of information when you go into RIBS
- The last two headers on the left hand side are operations and updates. We added network rationalization and there is a FAQ section (about 40 or 50 questions, some are old and new)
- We try to update these on a regular basis

### Industry and Customer Communications

- We will continue with industry alerts, industry PCC webinars and presentations
- PCC and Managed Account messaging from:
  - PCC program office
  - HQ Business Customer Support & Service
  - From Area and District BSNs
- BME messaging to affected customers
- Weekly posting of planned operational moves on RIBBS
- Structured release cycle for labeling list / mail directional file changes
- Post every Friday on RIBBS for this
  - Project plans established for consolidated site, gaining site and all sites (operating window changes)

### Advantages of a Transformed Infrastructure Phase II Benefits

- Reduce Excess Capacity
- More Efficient Transportation Network
- Fully Utilized Workforce
- Up to \$750 Million Cost Reduction
- Reduced Equipment

- Reduced Footprint
- Revised Entry Times

### Concluding Thoughts

- Long-term Affordability and High Levels of Service
- Seamless Transition
- Responsible Solutions

### Questions

- **Q:** On the driving efficiency, can you clarify the 66%? How is a mailer supposed to get overnight in the current window? What are the requirements for getting overnight?
  - **A:** The 66% will take into account the volume we get in by regular processes. It is not necessarily all mailer mail
- Very few of the mailers are making 8AM
- 66% was not all mailer mail. This was not directly streamlined for mailers
  - **Q:** Who is it streamlined for?
    - **A:** All the customer base
- **Q:** If we are not hitting 8AM, if we are getting in at that time but our scheme hasn't been run, then there is a chance we will get next day?
  - **A:** For the mailers with properly prepared pallets, first class, the answer is yes
- **Q:** Some of the expectation that the standard letter mailers knew they would see a shift. They were expecting a positive shift with first in first out processing and a larger window. One expectation was that we know that CET was unchanging from 16:00. Dave Williams envisioned at the time, 45% of the volume of standard mailers prior to CET changes would potentially be pushed out to arrival plus 2 days. At this point in time it is early because it is just two weeks into the program. The results might be mixed, but it seems like the estimate on 45% moving was low. We are seeing on small amounts of data that more of it is pushing out to day 2. This changes the flow of call centers, expected activity, and that is why everybody is trying to provide better input for upcoming MTAC to ensure everything is working right.
  - **A:** You are correct. For standard volume we didn't change the critical entry point. There should be a lot of volume moving to day 2. We should still see the moving volume as before. We started this on Jan 5<sup>th</sup> but not everyone was in place until the 10<sup>th</sup>. We just have one good week of data. We are looking at the data to see what we have and where we have it. Is the volume we expected to be moving in the right way? In week 1 we did not have people in all the right places. Now we have people in all the right places and we need to see how the volume moves against our expectations
  - We are comparing the data now
- **Q:** That is what the industry is doing. The data the industry is seeing isn't meeting expectations. Industry to prepare data to get sent into USPS. It is obviously early in the program and it is an ambition endeavor
  - **A:** The data improved from mail flow and utilization from USPS side
  - USPS needs to look at the volume
- Industry is seeing less mail in service standard days and everything pushing towards end of service day window and exceeding it. That is what the data shows.
- USPS had two pockets of issues that should be corrected and we are working on that now and verifying that data now
- Planning to have a face to face meeting on Thursday morning February 19th, right before 143 face to face meeting
  - USPS to send out invites and room number

- As a reminder Monday the 26th will be rollout date for non SV. If anyone wants to talk offline contact Kevin and Kelly. We are excited about this process and would like to see as much volume as possible
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## **Wrap-up: Questions & Action Items**

### **Meeting Summary and Major Outcomes**

- Mail.XML Version 10.0 No Longer Supported
- eInduction Pilot at Non-SV Sites Update
- Network Rationalization Presentation
- Face to Face Meeting Thursday February 19<sup>th</sup>

### **Next meeting**

- February 19, 2015
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