NATIONAL JURISDICTIONAL DISPUTE
ARBITRATION RI-399
JOSEPH M. SHARNOFF,
ARBITRATOR

In the Matter of the Arbitration Between:

UNITED STATES POSTAL SERVICE

AND

NATIONAL POSTAL MAIL HANDLERS UNION **Case Nos. Q94C-4Q-J 97026616 & Q06M-4Q-J 13009562; (Advanced Facer Canceller System)**

AND

AMERICAN POSTAL WORKERS UNION

Appearances:	For U. S. P. S.:	Erin E. Lynch, Esquire Chief Counsel - USPS, Labor Law Eric Goulian, Esquire
	For N.P.M.H.U.:	Bruce R. Lerner, Esquire General Counsel - NPMHU Matthew Clash-Drexler, Esquire Bredhoff & Kaiser, P.L.L.C.
	For A.P.W.U.:	Mindy Holmes, Esquire Jason Veney, Esquire Wes Turner, Esquire O'Donnell, Schwartz & Anderson, P. C.

OPINION AND AWARD
OF THE
ARBITRATOR

Case No. Q94C-4Q-J 97026616, filed by the American Postal Workers Union [APWU herein] on , by , Manager, Contract Administration, protests the Craft

Determination made by the United States Postal Service [USPS or Postal Service herein] on the initial manning of the Operator position in the 1990s of the Advanced Facer Canceller System [AFCS "legacy" machine herein] to a Mail Handler or Mail Processing Machine Operator represented by the National Postal Mail Handlers Union [NPMHU herein].

Case No. Q06M-4Q-J 13009562, filed by the National Postal Mail Handlers Union [NPMHU herein], protests the Craft Determination made of the Operator position in 2011 of the revised AFCS 200 machine to a Clerk, represented by the APWU.

Arbitration hearings on these two jurisdictional disputes were held, using Zoom technology, on December 8 and 9, 2020. During the proceeding on December 8, 2020, the USPS presented a video of the operation of the AFCS 200 machine. Transcripts of each day's proceedings were made and copies were received by the Arbitrator on December 30 and 31, 2020. The Parties electronically filed post-Arbitration hearing briefs, which were received by the Arbitrator on 2021.

ISSUES

The Arbitrator finds the issues to be resolved in this proceeding are whether the following Craft Determinations by the USPS were proper under the RI-399 principles, the Parties' respective Collective Bargaining Agreements and relevant Arbitral authority:

1) The APWU''s challenge, filed in 1996, to the USPS's Craft Determination assignment, during the initial manning of the Operator position on the AFCS "legacy" machine, of a Craft Mail Handler or Mail Processing Machine Operator, represented by the NPMHU.

2) The NPMHU's challenge, filed on July 31, 2012, to the USPS's Craft Determination assignment of the Operator position on the revised AFCS 200 machine to the Clerk Craft, represented by the APWU.

If either of these violations are found to have been demonstrated by the respective Union which made such claim against the determination by the USPS, what should be the remedy?

**RELEVANT PROVISIONS OF
MEMORANDUM OF UNDERSTANDING
BETWEEN THE USPS, THE APWU, AFL-CIO
AND THE NPMHU, A DIVISION OF
LABORERS' INTERNATIONAL UNION
OF NORTH AMERICA, AFL-CIO
Effective April 29, 1992**

REGIONAL INSTRUCTION 399 - DISPUTE RESOLUTION PROCEDURES

General Principles

The parties to this Agreement agree to a new procedure for resolving jurisdictional disputes under Regional Instruction 399 (hereafter "RI-399"). The new procedures will be implemented sixty (60) calendar days after the effective date of this Agreement.

Effective with the signing of this Agreement, no new disputes will be initiated at the local level by either union challenging jurisdictional work assignments in any operations as they currently exist. Except as otherwise specifically provided in the New or Consolidated Facilities, New Work, or Operational Change sections contained in this memorandum, all local craft jurisdictional assignments which are not already the subject of a pending locally initialed grievance will be deemed as a proper assignment for that facility.

In order to provide for expeditious and efficient resolution of jurisdictional disputes only one representative case shall be processed for each operation/function in dispute. Multiple disputes arising out of the same or substantially similar issues or facts shall not be allowed.

Dispute Resolution Committees shall be established at the local, regional and national levels. The Committee shall be composed of one (1) representative from each of the three parties. The representative on the Committee may be assisted by a technician at any or all meetings if advance notice is given to the other two parties. At larger installations the local parties may mutually agree to establish more than one (1) Committee; however, there shall not be

more than one (1) Committee per facility. Committee decisions shall be by mutual agreement of all 3 parties.

Meetings of the Committee must be scheduled with sufficient frequency so that a decision can be rendered within the time limits contained in this Agreement. The time limits contained in this Agreement may be extended by mutual agreement of the parties. If a committee fails to render a decision with the time frames in this Agreement the moving union may appeal the dispute to the next step in the procedure.

Each party at the local level will be responsible for maintaining an inventory of jurisdictional assignments not in dispute. As jurisdictional disputes are resolved under this procedure, the results shall be added to the inventory.

The national parties shall mutually determine and implement a new numbering system to be utilized in this procedure.

All parties to this Agreement may participate in the arbitration proceedings at either level and all parties shall be bound by the arbitrator's award whether or not they participate in the arbitration proceedings. The arbitrator's award shall be final and binding.

Any settlement entered into at any level must be a tripartite settlement.

* * *

National Level

The National Dispute Resolution Committee (NDRC) shall have sixty (60) calendar days after receipt of a properly filed or appealed dispute to attempt to resolve the dispute.

1. Either union may initiate a dispute at the National level when such dispute involves an interpretive issue which under the National Agreement is of general application. Such disputes shall be provided to the National Committee, in writing, and must specify in detail the facts giving rise to the dispute, the precise interpretive issues to be decided and the contentions of the Union.

2. If a dispute is resolved, a tripartite settlement agreement will be signed by the parties.
3. If the dispute is unresolved at the end of the sixty (60) calendar day period, a tripartite decision will be written by the Committee setting forth the position of each party. The moving Union may appeal the dispute to National Arbitration within twenty-one (21) calendar days of the date of receipt of the written decision of the Committee. Copies of the appeal will be provided to the other parties.
4. In the event the National Committee, after review, decides that a dispute appealed from the regional level does not involve an interpretative issue which is of general application, the dispute shall be remanded to the regional level and placed on the list of pending arbitration cases.

* * *

National Arbitration

One arbitrator will be jointly selected by the parties at the national level on the basis of mutual agreement. Once selected, the arbitrator will hear only jurisdictional disputes. The arbitrator's fees and expenses will be allocated on the basis of one-half (1/2) to management and one-half (1/2) shared equally by the participating unions. However, if a party decides not to participate in the arbitration proceedings, the remaining parties will equally divide the arbitrator's fees and expenses. Scheduling of cases will be jointly performed by the parties from a list of dates submitted by the national arbitrator. Time frames will be the same as those designated for regional arbitration. The method of scheduling will normally be on a first-in/first-out basis.

Pursuant to Article 15 of the National Agreement, only disputes involving interpretive issues under the National Agreement which are of general application will be arbitrated at the national level.

Additionally, the national-level arbitrator may be invited to participate in an advisory capacity at National Committee meetings on items related to problems of consistency of regional-level awards or other problems mutually determined by the committee. The arbitrator may be empowered by mutual agreement of the parties to

issue instructions to the regional-level arbitrators which were consistent with any mutual understanding on these issues reached as a result of committee discussions. Payment for such services will be made as for an actual arbitration hearing.

New or Consolidated Work

The following procedures shall apply to the opening of new or consolidated facilities.

Forty-five (45) calendar days prior to the opening of a new or consolidated facility, the members of the RDRC will be notified of the date on which activation will take place. Within ninety (90) calendar days of that activation, the LDRC designated for the facility will conduct an inventory of jurisdictional assignments at the facility and will attempt to resolve any disputes which arise from these discussions. If necessary, representatives of the RDRC will assist the local parties with on-site reviews.

Jurisdictional assignments shall not be changed solely on the basis of moving operation(s) into a new facility. If jurisdictional assignments existed in a previous facility, they shall be carried forward into the new facility except where operational changes as described below result in the reassignment from one craft to another.

In a new or consolidated facility, the jurisdictional assignment in the previous facilities must be considered by the LDRC in the determination mentioned above, in the event the consolidated operation(s) had a mixed practice in the previous installations.

The decision of the LDRC will be processed in accordance with the decision and appeals procedures previously outlined, including appeals to the higher levels of the process.

New Work

This section refers to implementation of RI-399 involving work which had not previously existed in the installation.

The procedures for activation of a new or consolidated facility shall apply to the assignment of new work to an installation. The

standards contained in Section II.E of RI-399 shall apply in making the craft determinations.

* * *

BACKGROUND

STIPULATIONS:

The Arbitrator notes, preliminarily, that the Parties stipulated to the following facts:

The Advanced Facer Canceller System or AFCS was introduced to the Postal Service's mail processing operation in the early 1990s.

The AFCS 200 was introduced to mail processing operations in 2011. For purposes of this dispute, all AFCS machines deployed prior to the AFCS 200 will be referred to as the AFCS legacy machine.

Based on the last 30 days of use, the Postal Service deploys 60 active AFCS legacy machines and 507 active AFCS 200 machines at various locations throughout the country.

Both the AFCS legacy and AFCS 200 perform both a facer/canceller function and a sortation/distribution function.

Both the AFCS legacy and AFCS 200 are run by a single operator.

For the AFCS legacy, the operator position is performed by a Mail Handler or a mail processing machine operator represented by the National Postal Mail Handlers Union.

For the AFCS 200, the operator position is performed by the American Postal Workers Union.

Induction activities for both the AFCS legacy and AFCS 200 are performed by Mail Handlers.

* * *

APWU Letter to National
RI 399 Committee, Subject:
AFCS Input Subsystem
Dated November 27, 1996

The letter, dated November 27, 1996, from Moe Biller, President, APWU, to the National RI 399 Committee: "Subject: Advance Facer Canceler System (AFCS) Input Subsystem, states:

> The American Postal Workers Union believes the placing of the Input Subsystem in the Advance Facer Canceler is an operational change which:
>
> 1. Makes the operation integral to the distribution function;
> 2. Directly replaces the work currently being done in distribution by clerks in the OCR Operation, and;
> 3. Could be accomplished efficiently and more cost effective by a mail processor.
>
> This letter should be considered as initiating a dispute in accordance with the RI 399 Dispute Resolution Procedures.

* * *

AFCS/ISS OPERATING
SYSTEM GUIDELINES
HANDBOOK PO-424
August 1999

The Transmittal Letter, dated August 1999, for the AFCS/ISS Operating System Guidelines, Handbook PO-424, states, in relevant part:

> Transmittal Letter:
>
> **A.** Purpose. The handbook provides operating guidelines and performance criteria for the Advanced Facer Canceler System/Input Subsystem (AFCS/ISS) that is in use nationwide. It is for use on Postal Service premises during regular workhours.

* * *

1-2. General Description

The AFCS/ISS is an electro-mechanical mail-handling system that uses the latest Optical Character Recognition (OCR) technology to rapidly cull, position (face), cancel, print ID Tags on certain types of tailpieces, verify printed ID Tags, scan the tailpiece address, store and transfer tailpiece images from the Image Management System (IMS) portion of the AFCS/ISS to the Image Processing Subsystem (IPSS), and sort standard size tailpieces.

The AFCS/ISS consists of 15 major equipment units. They are numbered in sequence according to the mallow, beginning with the Input Hopper (Unit 1), and concluding with Stacker #2 (Unit 15). . . .

* * *

Microprocessor technology is used in the AFCS/ISS. The machine is modular in concept and can be thought of as two separate machines: a Culler and a Facer/Canceler. The AFCS/I'SS can also upload status information through the Data Collection Computer (DCC). Additional features include ink jet printers, which print ID Tags on certain types of tailpieces; electronic verifiers, which verify the printed ID Tags are correct and readable; scanners, which capture an image of the mailpiece; and Indicia Detectors, which can recognize all types of indicia including seven types of Facing Identification Marks (FIM). Additionally, the Image Management System (IMS) provides the capability to send images to the IPSS. Because the AFCS/ISS improves on many field-proven concepts used in other systems, there may be similarities between the AFCS/ISS and other systems used in the field, such as multiline OCRs (MLOCR/ISS).

The AFCS/ISS can be looked at as two separate machines in one, as shown in Figure 1-1. The first section of the AFCS/ISS is the Culler Section, which operates to rough-cull tailpieces and prepare them for the Facer/Canceler section. The Culler Section also removes from the system flats and tailpieces that are too thick so that they can be manually processed.

* * *

The second section of the AFCS/ISS is the Facer/Canceler Section, which is designed to identify indicia, face, cancel, print ID Tags, verify ID Tags, scan

and transfer images of tailpieces, and sort tailpieces to the proper bin. The Facer/Canceler Section consists of the following units:

* * *

The Facer/Canceler Section of the AFCS/ISS machine is used to properly face (position) tailpieces, identify the type of indicia on tailpieces, and cancel mailpieces. In addition, an ID Tag is printed on certain types of mailpieces, the ID Tag is verified, images are taken of the mailpieces, the type of mailpieces (imprint, script, or no line) are determined, mailpiece images are temporarily stored and then sent to the IPSS upon request, and the mailpieces are sorted.

After leaving Unit 10 (Buffer/Feeder), mailpieces pass through the Leveler (Unit 11) so that they can be properly oriented before entering a Fine Cull module (Unit 12), which checks mailpiece gap (80mm minimum), mailpiece skew, and mailpiece size. Additionally, mailpieces that are too stiff and mailpieces that do not conform to height or length standards are ejected out of the mail stream at this point for manual processing. Mailpieces then move to the Enricher (Unit 13), where they are examined by two sets of indicia detectors, cancelled, and positioned for ID Tag Printers. After being examined by the first set of the indicia detectors, the mailpiece is then properly positioned (indicia down) for the second set of indicia detectors. Mail then passes through the canceler, where the indicia is canceled. Next an inverter turns all mailpieces upright (indicia up) for the ID Tag Printers. An ID Tag is printed on the back lower side of certain types of mailpieces and is electronically verified to ensure that it is correct and readable. Mailpieces are also sorted in Unit 13 for distribution to Units 14 and 15.

In the last process of Unit 13, each mailpiece is scanned and an image of the mailpiece is temporarily stored. The stored mailpiece images are then transferred to the IPSS for further processing.

Based on the sort criteria and mode of operation selected on the Operator Control Panel, mailpieces are distributed to the Stackers (Units 14 and 15). Mailpieces sorted to Bins 1-6 are sent on for further automated processing. Mailpieces that are rejected to Bin 7 are sent on for manual processing.

The AFCS/ISS is designed to be operated by only one operator. No more than one operator should be assigned per machine at any time.

* * *

Letter to NPMHU from USPS
Re: Review of Duties of Operators
On AFCS Legacy and Mark II Facer-Canceler Machines
Dated September 13, 1999

The letter, dated October 4, 1999, from Andrea B. Wilson, USPS Manager, Contract Administration (NRLCA/NPMHU), to William H. Quinn, National President, NPMHU, states, in relevant part:

> We have recently completed a review of the duties performed by operators assigned to the Advanced Facer Canceler System (AFCS) and the Mark II Facer-Canceler machines. This review was conducted to determine if the Mail Processing Machine Operator (2340-45xx) (MPMO) position is appropriately assigned to this equipment and to determine if the position operating the Integrated Advanced Facer Canceler System (IAFCS) is assigned to the appropriate craft.
>
> We have determined that operation of the IAFCS is appropriately assigned to the Mail Handler craft.
>
> We have also determined, however, that most of the primary duties of the Mail Processing Machine Operator are not performed while operating the AFCS or IAFCS. To a lesser degree, we also found that to be true in Mark II operations. As such, the MPMO position is not appropriate for assignment to AFCS operations and will be replaced with the Mail Handler position.
>
> To avoid any disruption to the workforce, we intend to make this transition through attrition. Effective with postings dated November 13 and after, vacant MPMO (2340-45xx) assignments in AFCS operations will be reverted to Mail Handler (2315-01xx) assignments established in their place.

* * *

Letter to Area Managers,
Human Resources, Re:
Mark II Facer-Canceler

Machine Operator Positions
Dated September 15, 1999

The letter, dated September 15, 1999, from Andrea B. Wilson, USPS Manager, Contract Administration NRLCA/NPMHU, to USPS Area Managers, Human Resources, Subject: Mark II Facer-Canceler Machine Operator Positions, states, in relevant part:

> The enclosed correspondence was recently sent to the National Postal Mail Handlers Union. Please notify your field installations as appropriate.
>
> We also found that many operators assigned to the Mark II Facer-Canceler machines do not perform many of the higher-level tasks of the Mail Processing Machine Operator position, however, we are not changing those assignments at this time.

* * *

Letter to APWU from
USPS, Re: Position Review -
Mail Processing Machine Operator
AFCS and IAFCS
Dated October 4, 1999

The letter, dated October 4, 1999, from John Mularski, USPS, Manager, Customer Requirements, to Walter O'Tormey, APWU, Subject: Position Review - Mail Processing Machine Operator, MH-05, states, in relevant part:

> This responds to your request to review the subject position and to identify the appropriate mail handler craft position to be used to operate the Advanced Facer Canceler System (AFCS) and Integrated Advanced Facer Canceler System (IAFCS). Out review consisted of observing mail processing machine operators and the operation of AFCS and IAFCS equipment at ten locations between May and September 1999., interviews with supervisors and operators at each location, and compilation of the results of a survey sent to all Processing & Distribution Centers (P&DC) and Processing & Distribution Facilities (D&CF). Based upon this review, wee have determined the appropriate position to operate AFCS and IAFCS equipment to be the mail handler. KP 8, 231501XX, MH-04.

Operation of the AFCS and IAFCS consists of the following steps:

* Reset count indicators to zero
* Turn on machine
* Cull and straighten mail as it is fed into the machine
* Sweep cancelled mail from separations and place in appropriate trays
* Dispatch trays to downstream operations by placing on key transport or in OPMC

If the machine jams during operation, the jam location is displayed on the computer screen. Lights also mark the location of jams. Operators clear the jam and restart the equipment. On the IAFCS, operators also monitor the image lift video display terminal to ensure final images are clear. If equipment malfunctions, maintenance is called to repair it. Operations may also face reject mail for processing on the Mark II.

The mail processing machine operator position was evaluated at grade 5 due to additional duties requiring operators to perform routine maintenance tasks such as replacing or adjusting guides, feed fences, and rollers; restoring belts to pulleys; replacing lamps and correcting loose connections; filling the ink tank; and adjusting ink flow; and replacing fuses. The results of the survey sent to all P & DCs and P & DFs, and our analysts observations of the 010 operation, indicate that operators of AFCS and IAFCS equipment do not perform any of these duties.

85% of all P & DCs/P & DFs responded to a survey requesting information on equipment, staffing, training, and specific duties performed by mail processing machine operators. The survey questionnaire requested respondents to indicate whether or not operators performed duties listed on the mail processing machine operator job description such as ". . . restores displaced inverted belts to pulleys; replaces scan lamps and observes and corrects loose connections or similar courses for interruption of power supply from building outlet. . . " 92% of respondents indicated that operators perform no maintenance duties on AFCS, IAFCS, and Mark II equipment with the exception of clearing jams. The essential activity performed by individual operating AFCS or IAFCS equipment is covered by duty and responsibility number four of the current position description for the mail handler, MH-04. This duty is described as: "Cancels stamps on parcel post, <u>operates canceling machines</u>, carries mail from canceling machine to distribution cases." (Emphasis added.)

Based upon the comparison of the position description for the mail processing machine operator, the mail handler, and the functions and activities required in operation of AFCS and IAFCS equipment, it is our assessment that this work is covered within the existing mail handler, MH-04, position description.

* * *

Letter to APWU from
USPS, Re: Further Response
To Information Request - AFCS
Dated July 6. 2004

The letter from Patricia Heath, Labor Relations Specialist, Contract Administration, USPS, to James P. McCarthy, Director Clerk Division, APWU, dated July 9, 2004, responded to the information request regarding the AFCS Legacy machine submitted by the APWU, dated March 29, 2004, and a letter from the APWU, dated May 18, 2004, regarding a USPS letter, dated May 5, 2004, "about AFCS enhancements and the Multiline Optical Character Reader replacement effort." Enclosed with the USPS's letter of July 6, 2004, was an enclosure, "Advanced Facer Canceller System (AFCS) Current Capabilities and OCR Upgrade Plans". This document states, in relevant part:

Current AFCS Capabilities

A significant portion of our First-Class letter mail is deposited each day in mail boxes, collection boxes and at more than 40,000 retail units across this country. Once collected, this mail is taken to a processing plant, where it is initially processed on an AFCS.

The AFCSs first task is to orient the letters so the addresses "face" in the same direction. The technique used by the AFCS to face mail is to look for phosphorescent or florescent links in the corners of letters, and then flip them accordingly. These links are on the Postal Service's stamps and in the indicia placed on letters by postage meters and by printers. If the AFCS cannot detect any of these special inks, the letter goes into the AFCS's reject bin.

For those letters that have been faced, the AFCS then cancels or postmarks the stamped mail. Finally, it separates the successfully processed mail into

three processing categories - - mail that contains a Facing Identification Mark (FIM), mail with machine imprinted addresses, and mail with handwritten (script) addresses. The AFCS is able to split the mail into these three categories because it is equipped with two grayscale cameras and a computer that searches the captured mail piece image for vertical lines.

358 of the Postal Service's 1,086 AFCS's have been retrofitted with a Video Facing Unit so that those letters that initially fail the facing step can be reprocessed. Instead of looking for inks, these enhanced AFCSs work with image data from the pair of grayscale cameras to determine the correct orientation of each mail piece. While presently being used just to solve letter facing problems, the Video Facing Unit's hardware is suitable for OCR tasks.

The AFCS is the gateway operation in a cascading series of processes that imprint barcodes, and then sort, transport and deliver mail based upon barcodes. Collection mail that has been initially divided by the AFCS into three categories then proceeds to subsequent operations for processing. The mail with FIM marks is fed into a barcode sorter. The mail with machine imprinted addresses is fed into an MLOCR.

Before discharging a piece of script mail into its third stacker, the AFCS takes a picture of the mail piece, and transmits those images to the Remote Bar Coding System (RBCS). Script mail from the AFCS then is held until transmissions are received from RBCS that contain the matching barcodes. The script mail then is fed through a specially configured bar code sorter, which sprays barcodes onto the script mail and sorts it into up to 222 output stackers.

<u>Planned OCR Upgrades for AFCS Equipment</u>

Funding for the Optical Character Reader (OCR) Enhancements for Letter Automation Program was approved by the U. S. Postal Service Board of Governors in February 2004. As part of this program, OCR upgrades will be installed on all Advanced Facer Canceller System (AFCS) machines. Deployment of the AFCS OCR upgrades is expected to begin in January 2005 and end in July 2005.

Under this project, all of the Postal Service's 1,086 Advanced Facer Canceller Systems (AFCSs) will be upgraded to an OCR configuration capable of identifying the 5-digit destination ZIP Code of each letter.

The OCR upgrade kits are being purchased from the same vendor that recently provided the 358 AFCS Video Facing Units. The hardware is the same, whether the unit is being used as a Video Facing Unit or as an OCR co-processor. The original 358 Video Facing Units will receive a software upgrade, so that they can also serve as OCR engines.

The OCR upgrade to the AFCSs will include the following items;

* The supplemental co-processors that were previously installed onto 358 AFCSs will receive a software upgrade so that they can perform primary OCR tasks (address block location; character isolation; character recognition,; and interface with the Postal Service's national ZIP Code directory);
* The remaining 728 AFCSs will be upgraded with the same primary co-processors and OCR software.
* All 1,086 AFCSs will be networked into a second processor, know as the Remote Computer Reader (RCR). The RCR uses different algorithms to perform the OCR tasks. It is designed to do a better job at interpreting handwritten addresses and degraded print.

Postal Operations will redesign its sort plans for the AFCS to take advantage of this additional knowledge (what the destination 5-digit ZIP Codes of each letter is). The AFCS will continue to separate out mail carrying Facing Identification Marks (FIM). However, instead of splitting the remainder of the successfully processed letters by mail type (machine imprinted vs. handwritten), the new split will be by geography (mail for local destinations vs. mail for destinations outside of the local service area).

* With the OCR upgrade, the AFCSs are expected to identify the 5-digit ZIP Code of approximately 85 percent of the mail being faced and cancelled. With this information, the AFCS will sort successfully mail letters between mail for local destinations and mail for destinations outside of the local service area. This upgrade, in conjunction with the sort plan revisions, will permit fewer subsequent handlings and quicker dispatch for some of the mail coming off of the AFCSs.

* AFCSs that have been upgraded with OCRs will be able to read and sent PLANET/TM code tracking data for the US Postal Service's Confirm/R service.

* * *

Letter APWU to USPS And NPMHU, Re: Advanced Facer Canceller System (AFCS) Dated June 27, 2005

The letter, dated June 27, 2005, from James P. McCarthy, Director, Clerk Division, APWU, to Patrick Devine, Contract Administration (APWU), USPS, and to William J. Flynn, Jr., Manager, Contract Administration, NPMHU, "Advanced Facer Canceller System (AFCS)", states, in relevant part:

> Based on the recent information presented to the National Dispute Resolution Committee (MDRC) in the meeting of May 24, 2005 in regard to the recent upgrades to the Advanced Facer Canceller System (AFCS) and those that will be implemented shortly, the APWU reasserts it's jurisdictional claim to the work being performed on these machines which were outlined in case Q94C-4Q-C-970028616.
>
> We believe the issue before the NDRC is: In [sic, is] the Postal Services' decision to continue the assignment of mail handlers craft employees to perform work on the AFCS machine in violation of the National Agreement, RI-399 and the historical application of jurisdictional rules of the parties? If so, what is the remedy?
>
> The APWU maintains the AFCS is involved in mail processing and/or the distribution of mail and is the work of the clerk craft. All mail processing and/or distribution of mail on automated equipment is the work of the clerk craft.
>
> The current upgrades replace work formerly done by Mail Processing Clerks on the Multi-Line Optical Character Readers and allow for the AFCS to be involved in mail processing and the dispatching of mail. The machines and the mail handlers craft employees operating the machines are involved in the loading and unloading of automated machinery that performs the work functions of mail distribution and dispatching with [sic,

which] are historically and traditionally clerical craft duties. They are also labeling trays of mail which is a clerical work function.

* * *

Letters USPS to NPMHU
And APWU, Re: Modifications
Of AFCS, Dated February 17, 2005

The letter, dated February 17, 2005, from John W. Dockins, Manager of Contract Administration, USPS, to John F. Hegarty, President of the NPMHU (it is agreed that the same letter also was sent to the President of the APWU), regarding modifications to the AFCS, states:

> This letter is to notify you that the Postal Service will implement modifications to the Advanced Facer-Canceller System (AFCS) to provide for double feed detection and ink jet cancellation. The double detection modification will identify double fed pieces and eject them to eliminate misrouted mail in downstream operations. The ink jet printer upgrade reduces maintenance hours with new technology and eliminates manual updating of date stamp dyes.
>
> First Article Tests (FAT) are scheduled to begin in February. The designated FAT site for doubles detection is the Tampa, FL P&DC and for ink jet cancellation is the San Diego, CA P&DC. The deployment of both modifications will be completed in August 2005, the ink jet installation in March 2005. It is anticipated that all AFCS equipment, nationwide, will be modified.
>
> Impact is expected to clerk, data conversion operator, and mail handler positions due to the reduction of required re-handlings for mail that is missorted or missent, and to maintenance positions related to the upgraded technology and decreased preventative and corrective maintenance needs of the ink jet equipment. National. Savings of approximately 89 fill-time equivalent positions are expected across all positions types, with the greatest contribution from the remote encoding centers. Site specific information concerning employee impacts will be developed in each area and district, and when available, will be shared with area and district union designees. If appropriate, positions will be

withheld. Any employee excessing or reassignments will be accomplished in accordance with Article 12 of the National Agreement.

* * *

Letter from APWU to the USPS
Re: Upgrades to the AFCS,
Dated June 27, 2005

The letter, dated June 27, 2005, from James P. McCarthy, Director, Clerk Division, APWU, to Patrick Devine, USPS Contract Administration for APWU, and to William J. Flynn, Jr., Manager, Contract Administration NPMHU, states:

> Based on the recent information presented to the National Dispute Resolution Committee (NDRC) in the meeting of May 24, 2005 in regard to the recent upgrades to the Advanced Facer Canceller System (AFCS) and those that will be implemented shortly, the APWU reasserts its' jurisdictional claim to the work being performed on these machines which were outlined in case Q9-4C-4Q-C-97028616.
>
> We believe the issue before the NDRC is: Is the Postal Services' decision to continue the assignment of mail handlers craft employees to perform work on the AFCS machine in violation of the National Agreement, RI-399 and the historical application of jurisdictional rules of the parties? Is so, what is the remedy?
>
> The current upgrades replace work formerly done by Mail Processing Clerks on the Multi-Line Optical Carrier Readers and allow for the AFCS to be involved in mail processing and the dispatching of mail. The machines and the mail handlers craft employees operating the machines are involved in the loading and unloading of automated machinery that performs the work functions of mail distribution and dispatching which are historically and traditionally clerk craft duties. They are also labeling trays of mail which is a clerical work function.

* * *

Letter from NPMHU to the APWU
Re: the above-quoted APWU letter,

Dated July 18, 2005

The letter, dated July 18, 2005, from William J. Flynn, Jr., Manager, Contract Administration, NPMHU, which was sent to James P. McCarthy, Director, APWU Clerk Division, with copies to Patrick Devine, USPS, and Mike Gallagher, NBA Clerk Division, Philadelphia Region, states:

> I am writing on behalf of the National Postal Mail Handlers Union with regard to your recent letter addressing the Advance Facer Canceller System (AFCS).
>
> For present purposes, I will refrain from commenting on the merits (or lack thereof) of the arguments contained in your letter. Nonetheless, the record should reflect the following: First, although your letter is dated June 27, 2005, the metered stamp on the envelope shows that it was not mailed to the NPMHU until July 12, 2005. Of more importance, your letter attempts to file a new dispute about the AFCS, based on potential operational changes that have not yet been implemented, by improperly relating this new dispute back to a prior dispute filed by the APWU in a letter dated November 27, 1996 (Case No. Q94C-4Q-J 97028616). That prior dispute included, at most, a challenge to the assignment of mail handlers to operate an AFCS with the addition of the Input Subsystem, and cannot be used to challenge either recent or future changes to the AFCS.

* * *

Testimony of Lynn Pallas Barber, APWU
Re: Operation of the AFCS Legacy Machine

Lynn Pallas Barber testified, on direct examination by APWU, that she started working for the USPS in 1969, initially as a PTF Clerk until 1973 and became a regular Clerk in the Letter Carrier Craft in 1972 in Warren, Michigan. She carried mail for eight years. She transferred in 1980 to Iron Mountain, Michigan. She served as the Local President in Iron Mountain from 1990 to 2004 and was elected in 2004 as a National Business Agent for the Clerk Craft until she was appointed as Assistant Clerk Craft Director at APWU headquarters in 2014. One of her first assignments in that position was RI-399. She assisted the APWU's NDRC Representative Ron Suslak.

Ms. Pallas Barber testified, on direct by APWU, that she has observed the operation of the AFCS legacy machine at the Iron Mountain Postal facility as recently as November 16, 2020. According to Ms. Pallas Barber:

> And on that night on November 16th, I went over and observed the machine to make myself familiar with the process. And I think the machine may have been there before I left in 2004. I wasn't quite certain and didn't quite remember whether or not. And, really, to make myself familiar with the operation on the machine.
>
> * * *
>
> . . . There was two mail handlers on the machine. There was an operator and there was a second mail handler. She was the - - she ran the dumper and the culling belt, and I knew her from my previous employment in the facility.
>
> And then a little bit later on, the ET [Electronic Technician] who was on shift that night came over by the machine, and he shared some of his, you know, maintenance information and technology about the machine with me.
>
> * * *
>
> . . . There were - - there were two mail handlers. There was a mail handler who was running the - - all the mail comes in raw in a hamper, and the mail handler who was on the culling belt, she dumped the hampers onto the culling belt, and then further - - further down on - - it wasn't a very long belt, but there was a belt, and there was one space where that mail handler would walk down, and she would do like a rough cull of the mail, take out the flats and things that they - - they didn't believe were machinable and tray those up.
>
> And then as the - then the mail would run into a vibrating hopper, and the mail would get - - the hopper would vibrate it, and then it eventually would start to climb up an incline belt. And then on that belt, there were two rollers. There was one that did an additional cull of larger pieces or thick pieces, and then the second belt or roller got the mail ready to run into the heart of the machine where it was faced, so to speak, yes.

And them, from there, it went down the end of the machine, where there was the operator. And the mail would come out there, and it would be - - there was a thing called a buffer, and the buffer kind of lined the mail up and pushed it to be fed into the machine.

The operator there, he occasionally did a little bit of culling with that mail, but not much. Basically, the machine pretty much, for the most part, fed itself. And he did — there was a tray for rejects there as well that he did some culling there.

But after the - - the mail entered into the - - after it was pushed through the machine with the buffer, that's where the enricher side of the machine, where it got cancelled, and then there was some separations.

And there were seven stackers on the machine. One of the stackers was a direct distribution to the Iron Mountain city mail, 49849 — 49801 and 49802. There was another stacker that separated or distributed mail to the 498-499 area associate offices that's served by the mail processing plant here in Michigan, Northern Michigan. There was a - - two trays for outgoing. There was two trays for what's called FIM mail. And FIM mail is facing identification mail. It's where mail that doesn't have a stamp on it or - - and may already have a bar code on it, that's where that's sorted off. And then there was the reject pocket. So I think that was all seven stackers.

The mail then - - the operator, he would sweep those stackers when they got full, and he placed the mail in trays. Depending on, you know, where that mail was distributed to, it - - he put those full trays either into an A-frame or onto like a pie rack, and then they would be moved to other parts of the processing center there for further distribution on machines. The only one that was directly distributed there was the city mail for Iron Mountain and Kingsford.

* * *

Ms. Pallas Barber testified, on cross-examination by NPMHU, that she understood that not all "sortation" constituted "distribution." Ms. Pallas Barber stated that it would depend on "how it's broken down". Ms. Pallas Barber testified, for example, that breaking down the mail by "size" or

"shape" would not constitute "distribution." Ms. Pallas Barber testified that "for the most part," Mail Handlers are assigned as the Primary Craft for doing a "sortation" or "separation" of local and out-of-town splits. Ms. Pallas Barber testified, with respect to the stacker for 49801 and 49802 mail at the Iron Mountain facility, that that was a direct breakdown; she did not agree that this was an out-of-town split. Ms. Pallas Barber testified, with respect to the stacker for the 498 and 499 codes would be part of the out-of-town split. "It went to the associate offices in the Upper Peninsula that the processing center here supports. . . . The mail is sorted on the DBCS to those associate offices, . . ." Ms. Pallas Barber agreed that the DBCS is worked by Clerks and that there is no challenge pending. Ms. Pallas Barber agreed that there were two trays for mail going out of Iron Mountain's geographic jurisdiction and two trays for FIM mail, I.e., mail with facing identification, usually a bar code, but no stamp, which usually comes in as bulk mail.

Ms. Pallas Barber testified, on examination by APWU, that the legacy machine she observed had OCR capability, which the ET explained to her. According to Ms. Pallas Barber, "the side of the machine that does the cancelling and the ID tag and the bar code reading and lifts images is all covered up, so you really can't, you know, see it. You can't observe it, what goes on there." Ms. Pallas Barber testified that the ET explained to her that the bar codes were sprayed on there, that the FIM is sorted out separately because often that mail does not get cancelled or it does not need cancelling because it already has a bar code. Ms. Pallas Barber testified that the ET also explained how images were lifted off the mail that was not readable, ". . . he pointed to the room where he showed me where that is stored, and that eventually would go to the REC [Remote Encoding Center] site to be - - to be read by a clerk in a REC site. And Salt Lake City is the only REC site that we have left." According to Ms. Pallas Barber, they get an image of the mail and keys in the ZIP code and then the image is returned to Iron Mountain and the legacy machine is able to read the mail.

Ms. Pallas Barber, in response to a question, on cross-examination, of when the OCR capability was added to the AFCS legacy in Iron Mountain, stated that she did not know exactly, ". . . but when I was a national business agent - - like I said, I was elected in 2004 - - in 2005, we got notice from then Clerk Craft Director Jim McCarthy, and he sent a notice to the field that there was the anticipated addition of the OCR capability to the AFCS that - - with the documents that he provided with his notice to us that there was going to be removed from the field and that there were possible

RI-399 disputes that - - or issues that would be coming up." Ms. Pallas Barber testified that she believed that the dispute was filed in 2005.

Ms. Pallas Barber testified, on cross-examination by NPMHU, that she was aware from Mr. McCarthy's letter in March 2005 that the AFCS legacy machines were going to have OCR capability added; she did not know the date when any location received the OCR, nor did she know when the OCR capability actually was used at a particular location. Ms. Pallas Barber agreed that the OCR sends an image of unreadable mail to a remote encoding center (REC) at which Clerks are assigned as the Primary Craft as Data Conversion Operators. Ms. Pallas Barber agreed that the OCR also sprays a bar code on the mail piece if it can read the address. Ms. Pallas Barber testified that she was told by an ET that the mail was cancelled and bar codes were applied on the legacy machine, at the covered part of the machine, and that an image was lifted of the unreadable mail and that image temporarily is stored in another room. The ET assertedly told Ms. Pallas Barber that "the images used to go to Milwaukee, because we had a REC site in Milwaukee, but that now it's Salt Lake City. So those images would go to Salt Lake City where the clerk craft data conversion operator would read the image and put the ZIP code on. Normally, those are handwritten letters that can't be read by the machine. That's as I understood it."

Ms. Pallas Barber testified, on direct by APWU, with regard to what work on the AFCS legacy machine could be described as "distribution work":

> Well, it can vary from site to site depending. You know, like I said, here we have the legacy, and it - - it does the distribution right to the city of Iron Mountain. So that mail does not have to go on any other type of machine. It's probably - - it's run on a DBCS where it's broken down to carrier route, but it's - - you know, it doesn't leave the building. Let me say that. It's distributed right here and stays here.
>
> The other mail is the 498-499. That is our associate offices here that are served by the mail processing center here in Iron Mountain, and that mail was separated to the associate offices here in the upper peninsula of Michigan on another DBCS machine. So the mail that left the AFCS wasn't distributed too far from the AFCS machine, and clerks ran it on the DBCS machine there.
>
> * * *

Ms. Pallas Barber, on direct by APWU, with regard to whether the addition of the OCR to the legacy machine had an impact on other machines by taking work away from Clerks, testified that ". . . to the best of my knowledge, from what we were informed, like I said, in 2005, they - - it was supposed to have an adverse effect on about 646 MLOCRs that were going to be removed from the field because of the increased capability of the OCR reader on the AFCS."

Ms. Pallas Barber, on direct by APWU, described two jams on the AFCS legacy which she had observed. Ms. Pallas Barber noted that the Mail Handler Operator, stood by "a panel where he put in the sort plan, and when the machine needed to be stopped or whatever, he - - he controlled that. . . . when the machine had a jam, he did clear the jams that he was able to clear. There were two jams on the cancellation side that he had to call the ET over because the ET had to remove some belts on the machine and whatever." Ms. Pallas Barber testified that the machine kept jamming where the mail is cancelled and they had to shut down the machine.

Ms. Pallas Barber testified, on direct by APWU, concerning the changes which were to be made by the new Postmaster General, that the AFCS legacy machines at the Iron Mountain facility were among the 34 sites affecting some 60 machines which were going to be replaced by AFCS 200s.

Testimony of Kelly Zindren, NPMHU
Re: Operation of the AFCS Legacy

Kelly Zindren, testified, on direct by NPMHU, that she has worked for 20 years, since January 8, 2001, at the USPS Processing & Distribution Center in Harrisburg, Pennsylvania. She began her career as a Part-Time Flexible (PTF) employer and remained in that position for about six years. Ms. Zindren testified that she worked as a PTF on the AFCS legacy machine during her sixth year. She also worked on the legacy machine as a Mail Handler. Ms. Zindren testified that she received on-the-job training on the legacy machine by other Mail Handler employees. She worked on the legacy machine between 2006 to 2013, when she bid for a new job. Ms. Zindren testified that the AFCS 200 was installed in the Harrisburg facility in November 2012.

Ms. Zindren testified, on direct by NPMHU, that her duties on the AFCS legacy machine were as follows:

When we come in, we are - - we go to our machines and we set it up. So we make sure there's trays. We make sure there's buckets at the feeder station. So when the mail is going into the feeder station, we have buckets for flats, damaged mail, oversize letters, and then we put a bucket on a cart for the rejects that comes out of the machine. If it's oversized or the machine feels like it cannot process it, then it kicks it out into a bucket [also called a bypass].

* * *

. . . And we also look at the hopper to make sure there's nothing jammed, make sure that maintenance didn't leave anything behind if they, you know, were doing their process of checking out the AFCSs.

* * *

Well, there's a main compute that - - that the supervisor would set up that would turn on the whole system. So just where my AFCS is, like, there's a whole system that needs to be turned on. So he turns it on, or she, and then the mail gets dumped onto that system, and then it gets processed through the belt, and then it goes - - gets dumped into a hopper. Once the mail is in our hopper, we turn our own individual machines on.

* * *

We had to clear any mail that maintenance tests during the day. So it's kind of like a combination lock. The older machines, you just set it to a code. You clear the whole system of your machine, make it back to zero, and then you just hit the start button, and then the mail starts processing up to the feeder station.

* * *

. . . Most - - it goes up the conveyor belt and then the rollers kind of separate the mail, like if there's a flat that got stuck in there, and thick mail.

But like everything else, not everything's perfect. Flats do get folded over. It still comes up to your feeder station that you have to straighten or take out and separate it.

* * *

**Letter from USPS to APWU and NPMHU,
Re: Deployment of Updated Version
Of the AFCS,
Dated March 24, 2011**

The letter, dated March 24, 2011, from John W. Dockins, USPS Manager, Contract Administration - APWU, which was sent to Cliff Guffey, President, APWU, and to John Hegarty, President, NPMHU, states:

> As follow-up to National Dispute Resolution Committee (NDRC) discussions, the Postal Service is deploying an updated version of the Advanced Facer Canceller System (AFCS), Model 200.
>
> Please be advised that nationwide deployment of the AFCS has begun. There are plans to deploy a total of 539 machines to a total of 106 production sites. Enclosed for your perusal is a copy of the deployment schedule.
>
> The new AFCS 200 performs the same functions as the current AFCS; however on the AFCS 200 a Portent barcode is applied to mail that receives a ZIP result. This mail can be dispatched from the AFCS or can be flowed to a Delivery Bar Code Sorter (DBCS) for processing. If a mail piece can not be resolved on the AFCS 200, an image is lifted and sent to the Image Processing Subsystem (IPSS). From the AFCS 200 the image lift mail is the only mail that must be run on an Output Subsystem (OSS) to be coded. The AFCS has 12 stackers. Stacker 12 is for Machine Reject and Stacker 6 is for the OCR Rejects. The other ten stackers are assigned based on mail attributes (FIM, Missing Indicia, or ZIP Ranges). The AFCS has a stamps database that will improve revenue protection by detecting invalid or insufficient postage.
>
> The union's input as to whether the above-described changes, applying the principles of RI-399, trigger a change in staffing of the machine will be solicited in the near future.

* * *

**Letter, USPS to APWU and
NPMHU, Re: AFCS Site Visit
Dated July 11, 2012**

The letter, dated July 11, 2012, from Patrick M. Devine, Manager, Contract Administration (APWU), was sent to Cliff Guffey, President, APWU, and to John Hegarty, President, NPMHU, states**:**

> The Postal Service would like to thank you for the union's attendance during the site visit to view the Advanced Facer Canceller System 200 (AFCS 200) at the Southern Maryland Processing & Distribution Center (P&DC) and Network Distribution Center (NDC) on July 10th. In attendance for the APWU were representatives Tom Maier, Lyle Krueth, Lamont Brooks, Pat Williams, and Anton Hajjar. In attendance for the NPMHU were representatives Bruce Lerner and Bill Flynn. In attendance for the Postal Service were Rickey Dean and Jacqueline Adona.
>
> As you know, the mail handler craft is currently the primary craft assigned to operate the AFCS. However, in light of the recent enhancements to the AFCS in model 200, the Postal Service will be deciding whether a jurisdictional craft determination is required. If a determination is required, a decision will also be made regarding which craft will be the primary craft for operating the machine pursuant to the principles of RI-399.
>
> Consequently, in light of the fact that the National Dispute Resolution Committee (NDRC) has completed a site visit to observe the AFCS 200 in operation we invite your input as to whether such a determination is required and, if so, which craft(s) you believe should properly be assigned, in accordance with the principles of RI-399.
>
> We ask that the Union provide its input on AFCS 200 staffing as soon as possible but no later than July 25.

* * *

Letter: APWU's Position
On Jurisdiction - AFCS 200,
Dated July 24, 2012

The letter, dated July 24, 2012 "Re: AFCS 200 - - APWU's Position on Jurisdiction," was sent by Rob Strunk, Director, APWU Clerk Division, to Patrick Devine, Labor Relations Specialist, USPS, states:

This letter responds to the Postal Service's letter of July 11, 2012, inviting its position on the proper craft to operate the Advanced Facer/ Canceller System 200 (AFCS 200). The AFCS 200 crew should be composed of clerk craft employees. By crew, we mean the approximately 6 employees assigned to the machine, that is, those who work within the footprint of the machine, including allied duties. As we show below, the AFCS 200 is engaged in distribution, which is clerk craft work. Under the "asterisk" principle of RI-399, moreover, the allied duties associated with the machine, including retrieving mail from the docks and bringing it to the machine and taking mail either to the next operation within the facility or to the dock for dispatch, should also be assigned to the clerk craft. That is because these duties are integral to the overall distribution process to create four or more hours of continuous work for mail handlers. And staffing the machine and assigning allied duties to clerks is most consistent with an efficient and effective operation.

Paragraph II(A) of RI-399 states: "All actions taken relative to implementation of these guidelines must be consistent with an efficient and effective operation." The APWU contends that RI-399 must be revisited in its entirety to reflect efficient and effective operations. The APWU incorporates by reference into this statement its position statement on this point.

The AFCS 200, although referred to as an enhancement of the facer-canceller machinery, should rather be viewed as adding facing and cancelling to an OCR machine; RI-399 assigns OCR distribution is assigned [sic] to the clerk craft. As explained in Postal Service literature, AFCS 200 machines are designed "to reduce the need for downstream processing with their greater number of sorting bins." "The AFCS 200s are designed to apply barcodes, read the Intelligent Mail barcode and process broader-sized letters up to 5/16 of an inch."

The AFCS 200s not only face and cancel mail pieces but also "lift mailpiece images, read facing identification marks, and sort mail for downstream processing. The AFCS 200 includes new cameras with better image lifting capabilities, an IBM barcode printer, and additional stackers. It has a higher throughput and lower maintenance costs than existing equipment and will further reduce manual handlings.

APWU representatives viewed several AFCS 200 machines at the Southern Maryland P&DC July 10. We observed that the machine not only

made separations to three digits but also processed some mail directly to dispatch. Expediters took the other mail to the DIOS machines for further processing. The machine required an operator to load a sort plan into each machine. Most of the volume was FIM mail, metered mail and indicia mail. The machine identified mail with missing or improper and short paid postage, that is, verification for revenue protection. The machines operated only during limited times. Typically, the machine rungs 3-4 hours a day and up to a maximum of 5 hours a day during peak mailing seasons. At the Southern Maryland facility the operation ran from 6 pm to 9:15 pm. Normally, the heaviest volume period lasts from 7:30 pm to 9:15 pm.

An apt analogy is found in the Letter Mail Labeling Machine (LMLM). That machine applies a label to a non-OCR-readable mail pieces to permit bar codes to be placed on them by clerk-operated machinery. Arbitrator Sharnoff agreed with the Postal Service that staffing the LMLM machine with clerks was proper under RI-399. No. Q90M-5Q-J 940221635 (April 22, 2006). He found that applying labels to mail pieces was "work [that] is related sufficiently to the 'distribution' process to be assigned appropriately to the Clerks" (at 53). Unlike the LMLM, however, which applied only labels to letters, the AFCS applies a **bar code** to mail pieces, and proceeds to sort them to bins, just like OCR/BCS machinery. The relationship of AFCS 200 operations to the distribution process is even more direct than was LMLM.

Item II(C) of RI-399 states: "Where the functions of obtaining empty equipment, obtaining unprocessed mail, loading ledges and sweeping are an integral part of the distribution functions in one or more operations designated to the same primary craft, the performance of the work should be assigned to an employee of that primary craft." As shown, the OCR/BCS functions of the AFCS 200 are "distribution functions." They cannot be efficiently separated in a manner which would divide the crew between clerks and mail handlers. Accordingly, the **entire** machine **and** its associated allied duties should be assigned to the clerk craft.

By even the most restrictive definition of distribution, moreover, the AFCS 200 performs distribution. Although the APWU does not accept that three-digit sortation is never distribution, some of the bins the AFCS 200s we observed at the Southern Maryland P&DC contained mail distributed for direct dispatch, not for further automated processing in the plant. Under the "asterisk" principle, if any distribution takes place in an operation and the functions which do not constitute distribution cannot be

efficiently separated from distribution, the entire operation, along with allied duties, must be assigned to the clerk craft.

As noted, RI-399 assigns the OCR distribution to the clerk craft in Operation 088-089. The provision also refers to the note in Operation 080-087: "Allied labor requires [sic] is normally performed by clerks because of the rotation system employed." It must be noted that the rotation system is not the so-called "ergonomic rotation" in operations requiring keying but the rotation of the crew to assure sufficient staffing during absences such as leave. This fact is exemplified by the crewing of MILSMs, OCR/BCS machines, and FSMs (including FSM 1000s, which employed bar code technology). The need to have adequate staffing of the AFCS 200 crews is even more imperative now that there are so few manual operations from which the Postal Service can draw upon to cover absences on the AFCS 200 crews.

Prior to the deployment of the AFCS 200, the sortation done on the machine would have been performed in one of the automation operations staffed by clerks. The "replacement principle" has been recognized by Arbitrator Zumas (H1M-NA-C 14 (July 14, 1986) at 40), stating that "as the APWU persuasively points out, Article 4 of the National Agreement of both Unions is predicated on the principle that new jobs created by technological changes should be performed by the craft previously performing similar work prior to the introduction of the new technology." The new function in this instance was extracted from clerk-staffed OCR/ BCS machinery and added to the AFCS 200. In addition, the enhanced reading capacity of the OCR on the AFCS 200 and its placement of bar codes on mail pieces replaced the work of clerks working at REC sites.

The revenue protection function of the AFCS 200 is clerk work. Indeed, this function justified the upgrading of clerk craft mail processors. So, too, the loading of sort plans should be assigned to clerks, as they are on OCR/BCS machinery.

As noted, "[a]ll actions taken relative to implementation of these guidelines must be consistent with an efficient and effective operation." The discussion above demonstrates that staffing with clerks is most consistent with efficient and effective operations. Such staffing would keep automated machinery running continuously. "Improving workforce flexibility is becoming increasingly important as changes in mail volume dictate adjustments to operations." www.usps.com/strategicplanning/stp2007/

increase 0004.htm. Staffing with clerks enhances workforce flexibility, and staffing with mail handlers, whose activities are more limited by RI-399 than clerks, does the opposite.

* * *

Letter USPS to APWU and NPMHU
Re: Modification of Induction
Process on AFCS 200,
Dated July 27, 2012

The letter, dated July 27, 2012, concerning the modification of the induction process used to enter letter mail on the AFCS 200, from Patrick Devine, Manager, Contract Administration - APWU, was sent to [as relevant] Cliff Guffey, President, APWU, and to John Hegarty, President, NPMHU, states:

> As a matter of general information, the Postal Service intends to modify the induction process used to enter letter mail on the Advanced Facer Canceller 200 (AFCS 200) machines.
>
> The current induction process introduces letter mail pieces in various orientations. As a result, contents of the letter can shift and block the address of the mail piece. If the address cannot be determined, an image taken of the letter is sent to the Remote Encoding Center (REC), where an operator determines the address to the extent possible. Due in part to the nature of the cancellation process, the images cannot always be resolved by the REC operator. This often results in unreadable images and incomplete address coding.
>
> The image processing flow modification project stops the image capture of mail pieces when the address cannot be determined at the AFCS 200. The concept is to flow the physical mail piece to the Delivery Bar Code Sorter (DBCS) Input/Output Subsystem (DIOSS) machine first. This allows the machine operator to edge and reorient the contents of the letter, giving the image server on the DIOSS a better chance to code the mail piece. Pilot testing has confirmed that the concept works. Testing resulted in:

* Over 50% of the mail was finalized on the front-end at the DIOSS and did not need REC processing
* Over 40% of the "Incomplete Address" mail pieces were properly coded to the street address
* Over 50% of the Unreadable Image (no address found) were coded properly

This process change will add significant value to the depth of coding, manual flow and time to clear the outgoing process. It is projected that this change will result in an annual workload reduction at the REC sites of approximately 267,000 work hours, based upon the AFCS 200 deployment schedule through September. Any impact to the bargaining unit will be in accordance with the Collective Bargaining Agreement.

* * *

Letter NPMHU to USPS
Re: Craft Assignments for
AFCS 200,
Dated July 31, 2012

The letter, dated July 31, 2012, from Bruce R. Lerner, Attorney for NPMHU, to Patrick Devine, Manager, and Ricky Dean, Labor Relations Specialist, USPS, "Re: Craft Assignments for AFCS 200", states:

This letter responds to the Postal Service letter of July 11, 2012, and sets forth the position of the National Postal Mail Handlers Union (NPMHU) with regard to jurisdictional assignments for the Advanced Facer Canceller System 200 (AFCS 200).

As you know, the AFCS 200 has been designed and purchased primarily to address the end-of-useful life issues with the existing AFCS equipment, which has been operational for more than twenty years. The existing supply of AFCS equipment could not continue to operate without updating and enhancement. As a side benefit of replacing outdated equipment, the AFCS 200 also includes some enhancements when compared to the existing AFCS equipment. These include increased or faster throughput, the capacity to handle slightly thicker mail, the ability to sort in 12 rather than 7 stackers or

bins, and the ability to spray barcodes on certain mail. Seen in this context, two points are essential: (1) as the name of the AFCS clearly indicates, the primary purpose of the AFCS and the AFCS 200 is to face and cancel the mail, and the introduction of the AFCS 200 has not changed that purpose and (2) the duties, tasks, and responsibilities of the employee who operates the AFCS also remain the same with the AFCS 200. Fn. 1/ [Fn. 1/ This letter addresses only the position of the employee who operates the AFCS 200. The AFCS 200 also employs numerous mail handlers for feeding or dumping, culling, hand stamping, and cancelling the mail that is not fully handled by the equipment. There is no dispute that the mail handler craft is the primary craft for all of this related work.]

Turning to the inquiries included in your letter of July 11, 2012, the initial question is whether a National jurisdictional determination is "required" for the AFCS 200. For both contractual and practical reasons, the NPMHU believes not only that such a National determination is not required, but that such a determination would be ill-advised under the principles of the National Agreement and RI-399. In particular, the AFCS operator on the AFCS 200 certainly does not present a new or changed job under Article 4 of the National Agreement or a situation with a new work or a new or consolidated facility under the RI-399 Dispute Resolution Procedures. Similarly, there is no reason to believe that the introduction of the AFCS 200 presents an operational change within the meaning of the Dispute Resolution Procedures - to the contrary, from the perspective of the AFCS and the AFCS operator, there is no change in operations. If any operational change could be said to result from the introduction of the AFCS 200, it is a minimal change in some downstream handling of mail by the Delivery Bar Code Sorter or the DIOSS. Operational changes with regard to those pieces of equipment cannot be used to make adjustments or revisions to jurisdictional determinations with regard to the AFCS operator.

Even if it were determined that a new jurisdictional determination were necessary or advisable for the AFCS operator on the AFCS 200, the NPMHU sees no conceivable basis for any assignment other than the mail handler craft as the primary craft. Since its adoption in 1979, RI-399 has recognized, under Operation 010 and elsewhere, that the mail handler craft is the primary craft for culling, facing, and cancelling the mail. Indeed, RI-399 in Operation

010 specifically refers to "facer canceler" equipment, and particularly refers to the "Mark II or its equivalent." This plain language always has been interpreted by the Postal Service as covering the Advanced Facer Canceler System and all of its iterations. And there is no basis for changing that consistent interpretation for the AFCS 200.

Indeed, the duties and responsibilities of the AFCS operator have not changed with the AFCS 200. Any additional sort plan is provided by in-plant support, not the AFCS operator. The actual duties of the AFCS operator remain the same.

Finally, the fact that the AFCS 200 may spray a bar code onto some of the mail being processed does not by itself provide any reason for revising craft jurisdiction. Prior to the AFCS 200, for many years, these bar codes have been placed on the mail by other postal machinery, not by other postal employees. This minor enhancement of the AFCS 200 therefore is not substituting for any work previously performed by employees, and provides no basis for any revision to the traditional assignment of mail handlers to this cancellation.

* * *

Letters, from the USPS to the Presidents of the APWU and The NPMHU, Re: Jurisdictional Craft Determination - AFCS 200, Dated September 28, 2012

Patrick M. Devine, Manager, Contract Administration (APWU), USPS, sent identical letters, dated September 28, 2012, to Cliff Guffey, President, APWU, and to John F. Hegarty, President, NPMHU, concerning the jurisdictional craft determination by the USPS for operation of the AFCS 200. These letters state:

This letter is in regard to the jurisdictional craft determination for operation of the Advanced Facer Canceller System 200 (AFCS 200). On July 10 the RI-399 National Dispute Resolution Committee (NDRC) visited the Southern Maryland Processing & Distribution Center (P&DC) to observe the AFCS in operation. By letter dated July

11, the Postal Service asked the American Postal Workers Union (APWU) and the National Postal Mail Handlers Union (NPMHU) to provide input regarding whether a craft jurisdictional determination is required, and if so, which craft should be the primary craft for operation of the machine, in light of the recent enhancements.

The existing AFCS (legacy system) is a high-speed machine that culls, faces, and cancels letter mail through a series of automated operations. It recognizes postal stamps, Facing Identification Marks (FIM), and metered indicia. The AFCS processes letter mail through a series of system components that include an over-thick culler, an edger-feeder, a flat extractor, a fine cull unit, a facer canceller, and a camera system that performs an image lift. Letter mail pieces that fall within required size and thickness dimensions are faced, cancelled if needed, and sorted to one of seven stackers. The AFCS ejects oversized mail pieces from the automated mail stream. A phosphorescent detector is used to detect postage stamps, and grayscale cameras capture front and back images of each mail piece for encoding.

The AFCS 200 will perform the same functions as the legacy system while also providing significant additional capabilities. Some components of the legacy AFCS that cull and singular mail are being reused on the AFCS 200. Existing doubles detectors and inkjet cancellers will also be reused on the AFCS 200. The remainder of the machine is completely replaced. The system enhancements illustrated below are significant and represent a complete change in the performance and service of the AFCS.

* **Upgraded Transport System** - The AFCS 200 can process thicker mail (up to 5/16”), moving the mail from mechanized and manual operations into automation. Also, the new reverter faces mail into a single orientation.

* **Two-Tier Stacker Module** - The existing AFCS has seven output stackers. The AFCS 200 includes a two-tier output stacker configuration consisting of 12 stackers. These additional bins increase depth-of-sort capabilities.

* **POSTNET Barcode Printer** - A new printer improves process flow and reduces downstream handlings. The AFCS 200 sprays a

POSTNET barcode on mail pieces it encodes, thus allowing this mail to bypass the Output Subsystem (OSS) and be sorted directly on the Delivery Barcode Sorter (DBCS).

* **New ICS Reader** - The latest version of Identification Code Sort (ICS) reader provides improved identification (ID) tag verification rates. The error rate on sprayed ID tags is expected to be about 1.5 percent of about 50 percent lower than that of the existing AFCS reader, improving sortation on the AFCS 200 and reducing downstream automation handlings.

Some of the benefits expected from these enhancements include:

* Greater Depth-of-Sort - The combination of stackers (12 versus 7) and a new reverter that faces mail in a single instead of two orientations (which frees up three existing stacker) provides eight extra stackers to meet additional sorting needs.

* Cross-Utilization Opportunity - The AFCS 200 can be used as a stand-alone OCR or backup Input Subsystem (ISS) machine to encode, or lift images, and apply the corresponding POSTNET barcodes.

Additionally, the Postal Service intends to modify the induction process used to enter letter mail on the AFCS 200 machines. This image processing flow modification will stop the image capture of mail pieces when the address cannot be determined at the AFCS 200. The mail piece will flow to the Delivery Barcode Sorter (DBCS) Input/ Output Subsystem (DIOSS) machine first. This will significantly reduce the need to send images to the Remote Encoding Center (REC) for an operator to determine the address on the mail piece to the extent possible. This change will add significant value to the depth of coding, manual flow and time to clear the outgoing process.

The staffing of the AFCS 200 consists of a single operator who is capable of performing the AFCS 200 core functions of culling, prepping mail, jogging, and grooming the mail, in addition to the feed and sweep duties.

After reviewing the equipment operation, carefully consider the input from the American Postal Workers Union, AFL-CIO and the

> National Postal Mail Handlers Union, and applying the principles of RI-399, the Postal Service has determined that on the AFCS 200, the duties performed by the operator are similar to the duties performed by a Mail Processing Clerk. Accordingly, the primary craft for the operator position on the AFCS 200 is the Clerk Craft. The primary craft for the induction activities on the AFCS 200 will continue to be the Mail Handler Craft.
>
> * * *

Letter From the NPMHU to the USPS Submitting Dispute to the National Dispute Resolution Committee, Dated October 16, 2012

The letter, dated October 16, 2012, from William J. Flynn, Jr., Manager Contract Administration, NPMHU, to Rob Strunk, Director, APWU Clerk Craft, and Patrick Devine, Manager, Labor Relations, USPS, "Re: AFCS-200 Craft Determination," states:

> The National Postal Mail Handlers Union submits the following dispute to the National Dispute Resolution Committee.
>
> By letter dated September 28, 2012, the Postal Service advised the NPMHU of its craft determination for operation of the Advanced Facer Canceller System 200 (AFCS 200).
>
> The NPMHU does not agree with this determination. The NPMHU position was clearly set forth in its letter of July 31, 2012 from NPMHU General Counsel Bruce Lerner [quoted above]. The NPMHU therefore is submitting this dispute to the National Dispute Resolution Committee, which has sixty days after this filing to attempt to resolve the dispute.
>
> * * *

AFCS - LEGACY MACHINE/ AFCS 200

Testimony of Todd Schimmel, USPS

Todd Schimmel, Manager of Sortation Systems Technology within the USPS's Headquarters Engineering Systems. Mr. Schimmel testified, on direct examination by USPS [Mr. Schimmel's testimony, discussed or quoted herein is from his direct examination by USPS, unless otherwise indicated], that he has a Bachelors degree in Computer Information Systems and an Associate degree in Computer Networking. Mr. Schimmel testified that he started working for the USPS in about 2003 as a contract engineer in a group designated Letter Mail Technology, and then, since 2007, worked in that group directly for the USPS, eventually as the group's Manager. According to Mr. Schimmel, this group is responsible for: automation equipment, including DBCSs, DICSS, CIOSS, AFCS, LMLM when it was in use, LCREM (Low-Cost Reject Encoding Machine), flat automation, including the FSS (Flats Sequencing Sorter), and the AFSM (Advanced Flat Sorting Machine); Optical Character Recognition or Image Processing equipment for mail, including letters, flats and parcels, which includes the image flow to the REC (Remote Encoding Center).

Mr. Schimmel testified that, sometime prior to 2011, he began working on the AFCS 200 as the DCO (Design Cognizant Operation), the individual responsible for the selection/testing of the imaging system for the AFCS 200 as it was finishing the design phase. Mr. Schimmel testified that he was familiar with the so-called "tech-mech" meetings which are a means of communication between the USPS and the two unions when new equipment is to be installed or organizational changes are to be made. Mr. Schimmel testified that he served as a technical presenter for the USPS with regard to a presentation on the AFCS 200 machine.

<u>Testimony Re: Video</u>
<u>- AFCS 200</u>

Mr. Schimmel testified, as follows, with regard to a pictorial representation of the AFCS 200 machine, as well as with regard to a video of the operation of the AFCS 200 which had been presented by the USPS at the start of the RI-399 Arbitration hearing:

> So as shown in the video previously, mail is inducted either through the 010 operation or the LMS, loose mail system, which is a batch processing system, into this hopper here, which is a vibrating

hopper. And then the mail will come up the incline belt and then gets scattered across a flat belt here so the mail is in a horizontal plane.

Once the mail is distributed across the flat belt, it goes, . . . goes under the two culling rollers, and these are set at specific heights. They're actually set at five-sixteenths of an inch, roughly, to allow mail pieces that are under that thickness through, but any. - - any mail pieces or chaff or trash, because it's a - - people use the collection boxes as trash receptacles, unfortunately. So it - - it pushes all that mail out, so this is a culling operation.

From there, it goes to this area here that we call the waterfall, which is - - it takes mail from a horizontal plane into an edged or a vertical plane. It then runs down this portion of the machine to this drum-looking thing with the four little dots on the top. That is a flats extractor, so any flats that are going through the machine, in theory, can get extracted out here.

Mail Singulation

The mail comes down through here, and as the video stated, it gets in a shingled fashion, which is just like the shingles on a roof. It goes through the BDS hood, which is this divide here, bio detection system hood, and then comes through a two-stage singulation process. So by the time the mail gets down to this point, it's singulated, so it's just a single piece.

Fine Cull

And the - - the - - there's some difference between the legacy and the 200 here. The AFCS 200 has this thing here that we call the fine cull one, which is where we. - - we do have the metal detector, the lumpy mail detector, for lack of a better term. So that's where mail pieces will come out there that the operator then has to cull through or finger through to see if the mail piece is automation compatible or not automation compatible. If it's automation compatible, they then are able to move it over to this station of the machine, which is the manual induct.

Buffer Feeder Area - Legacy
Operator Culls/Grooms Mail
AFCS 200 - Automatic Induction

The unique thing between the AFCS 200 and the legacy machine is that the legacy, what was mentioned before, was this buffer. It's actually called the buffer feeder. So the mail in the legacy machine would come into this area, which would be the buffer feeder area, and then that's where the operator of the machine could then cull the mail or - - or groom the mail. So there's - - there's a little bit of touching of the mail that an operator does there.

On the AFCS 200, where you see this little orange button - - on this cover here, the mail automatically comes through this area and bypasses this - - this feed mechanism, this feed mechanism here. So the majority of the mail comes around here and automatically gets inducted into the machine, so there's not any touching of the - - of the mail or grooming of the mail by the operator.

Two Camera Mail Piece Imaging

At that stage, once the mail turns the corner there and goes - - goes behind this - - this is the stacker area. You can't see it, but at the same level as these covers, there's covers behind this - - this guy here. It's a pretty narrow area. That's where our imaging systems are. So the mail pieces will be imaged here. There's two cameras looking at the front and the back of the mail piece. That's where the facing comes in. So we gather an image of the - - of the mail piece, the front and back of the mail piece here, and then we go through this enricher portion of the machine.

On the legacy machine, the camera systems are not at the front of the machine, so - - and it's hard to explain without seeing the other side of this - - this blue bin here, but there's - - there's actually a mail path right behind this thing that the mail comes and enters into this part of the machine here.

* * *

Mr. Schimmel testified, on cross-examination by the NPMHU, regarding the AFCS 200 having two cameras: "So the image is an isometric, you can't see that there's a mail path that would - - if you were looking at the machine from the operator positions, about halfway down on the stacker on the backside, so it's the same level at the rest of the enricher, but that's where the cameras are is right at the back of the stackers on that level of - - same level as the indicia." Mr. Schimmel stated that the cameras were located "[j]ust before the stackers, with very short amount of belt before the stacker." Asked if the cameras in the legacy and the AFCS 200 perform the same function of taking a picture or an image of a letter, Mr. Schimmel agreed that "[I]n simplistic terms, yes, The - - the computing systems are much different between the two, and the AFCS [200] does some functions with the image than the legacy did." Mr. Schimmel agreed that on the AFCS 200, an image is taken of the front and back of the letter, which is the reason for having two cameras. According to Mr. Schimmel, the images are sent to several places, ". . . the cameras are the read heads that feed into a computing system. That computing system is the ACR . . . ." Mr. Schimmel testified that ". . . the first thing that happens is the image is gathered by the - - by the two opposing cameras. So you have a camera looking at one side of a mail piece and a camera looking at the other side of the mail piece. . . . Both of those - - there's actually four images that are captured. There's two grayscale [which, he agreed, commonly is referred to as "black and white"], so a grayscale from the front side, grayscale from the back side, and then a color image of the front side and the back side. So each imager captures two images of the mail piece at the same time. . . so it takes those four images and then sends them to a local computing system call[ed] the ACR, which is the advanced color recognizer. That ACR performs many, many functions . . . ." Mr. Schimmel added that, there are two computers, the ACC - Advanced Control Computer, and the ACP - Advanced Co-Processor, in a clean bay area where the Operator stands at the AFCS 200.

Mr. Schimmel testified that, under the stacker section of the machine, there is another clean bay in which the ACR is located. According to Mr. Schimmel, the ACR performs many functions: first, it tries to determine whether there are any bar codes on the mail piece, the bar code could be a FIM, or it could be an IMI, Intelligent Mail Indicia. The ACR also looks for POSTNETs and for PLANET bar codes, an operation which the legacy machine also performed, and it looks for IMBs, Intelligent Mail Bar Codes and for IMPBs, Intelligent Mail Package Bar Codes, which involves extra service bar codes, such as delivery confirmation, signature confirmation,

etc. The ACR also does stamp recognition. According to Mr. Schimmel, "So the metadata that it got from the features of the image then get transferred to two computing systems locally within the AFCS . . . it's within the footprint of the machine. . . So those images go to both the ACC, the advanced control computer, and the . . . ACP, advanced co-processor, and those two systems perform different functions."

Mr. Schimmel testified, on cross-examination by NPMHU, that some of the data also goes to another computer, the LLC, Low Logic Command and Control Computing System. Each of these computer systems is within the AFCS 200 footprint. Mr. Schimmel testified that the ACP sends images outside the AFCS 200 for further processing to another system, the RCR, remote computer reader. Mr. Schimmel testified, with regard to "the image processing portion of it": "So the image - - we do a local inside of the P&DC processing at the RCR. So the RCR is the OCR or optical character recognition system that - - that tries to read the address." Mr. Schimmel agreed that the RCR is located somewhere else in the processing and distribution center or the mail center where the AFCS is located. Mr. Schimmel testified that there is another image flow to the Image Processing Subsystem (IPSS), which is taken over by the successor Remote Image Processing System (RIPS); both the IPSS and the RIPS are located away from the AFCS.

According to Mr. Schimmel, on cross-examination by NPMHU, the ACP on the AFCS 200 sends the image to the RCR, which will try to obtain a local resolution of that image (metadata). The metadata is sent back to the AFCS 200 with a tracking number, an ID tag which has not been printed yet on the mail piece. As the mail piece continues to flow through the AFCS 200, the image is sent to the RCR which tries to make a resolution of the mail piece and then sends the information, the address resolution, back for the system to sort it. Mr. Schimmel distinguished two functions: the ability to read and interpret the address; and the sortation knowledge.

Mr. Schimmel explained that the first function of the RCR is to understand the destination address of the mail piece and resolve it to a delivery point, an 11-digit ZIP code. The second sortation function is scheme knowledge, applying the resolution of that piece to a specific sortation means. For example, the DBCS does that scheme type of information through the sort plan that has been loaded. Mr. Schimmel explained that, if someone routes a piece of mail that is destined for California, but the sort plan which has been loaded on the DCBS is for

Richmond, Virginia, there will not be a resolution/appropriate scheme recognition. Mr. Schimmel added that the RCR will give information leading into what is needed for the sort. The RCR does not do the sortation, it only resolves to an 11-digit ZIP code and then passes that information off to another system, the local, processing system which is "either in DIOSS, CIOSS, DBCS, AFCS 200, for being able to put that mail piece in the appropriate pocket."

Mr. Schimmel testified that there are about 20 ".stf files" used for the sort plans which have several elements, including key words, three-letter acronyms, that are used to sort the mail pieces by the reject codes. "So we use those key words to outsmart the rejects. But then we also have a section in the sort plan for the tray label printing. So depending on the sort plan loaded, you have the different tray labels . . . to the ZIP. So you have the tray label information that's contained within the sort plan, but when you hit the button, you're going to print the tray labels. . . . And then below that, you have what are called a ZIP range section, and in that ZIP range element, you can assign ZIP 000 through 5555 to go to bin 2, or if you wanted to go all way down to an 11-digit ZIP, you can assign a single 11-digit ZIP, for instance, for Verizon to have their own 11 digit - - unique 11 digits. You can assign that to go to a specific bin." Mr. Schimmel added that they also could "commingle different ZIPs for whatever reason." Mr. Schimmel stated that they have the ability in the sort plan to sort by the first three digits, or the first five digits, or nine digits, or all 11 digits.

Mr. Schimmel testified, on cross-examination by NPMHU, that the information is sent back to the Advanced Control Computer (ACC), which passes the information on to the Advanced Co-Processor (ACP), and the Low Logic Controller (LLC). The ACC is located at the "clean bay," which is underneath the feeder area where the Operator manually feeds the mail or out of the fine-cull area, which is underneath the monitor. The LLC is located on the left side of the stacker module underneath the bins. Mr. Schimmel agreed that the ACP, which is part of the AFCS 200 machinery, sends the image to an RCR, which is located elsewhere, which assigns an 11-digit code to the mail, which is sent back to the AFCS 200's computer which, as a result, is able to sort that mail piece. Asked whether the Operator on the AFCS 200 has any role in loading the computers, Mr. Schimmel responded that, to his knowledge, any computer-related activities beyond the Graphical User Interface, is a function of maintenance, which may involve software updates, software loading, hardware replacements resulting from trouble-shooting by maintenance.

Mr. Schimmel testified, on cross-examination by NPMHU, with regard to whether he was aware that when the AFCS 200 was introduced at the Harrisburg, Pennsylvania, facility, a Mail Handler was trained to operate the machine by the contractors who installed it, that he was "aware that there was a process by which we asked the supplier to leave technicians at the site for a week after the install to do several functions. Some of those functions were to monitor and maintain the piece of equipment before the Postal Service took possession of the equipment and signed off for the equipment, and also to train for the function of the - - of the new piece of equipment. . . . And it was a one-for-one deployment, so as an AFCS 200 was installed, an AFCS legacy was removed, because we reused the culler section of the machine and we switched out, basically, from the BDS feeder back, meaning from the BDS feeder through the enricher became the new AFCS 200. So we needed to consume a legacy machine when we installed an AFCS 200, so it was a one-for-one replacement." Mr. Schimmel testified, with regard to the training, that that was handled by a different group than Engineering, so he does not know exactly who was trained, although he knew that there had been some training of maintenance at the local facility. "I do know that there was some operator training and some supervisor training that was helped and facilitated by the Postal Service through the supplier."

Mr. Schimmel testified, on cross-examination by NPMHU, with regard to the changes made to the AFCS Legacy machine when it was converted to the AFCS 200, that various units of the machine, e.g., the hopper, conveyor, chute, remained the same up to Unit 9, the Singulator, to which some changes/enhancements were made. According to Mr. Schimmel, since the AFCS 200 was intended as a "replacement" for the legacy machine, with further enhancements and capabilities, it was intended that the AFCS 200 are used in the same capacity as the legacy machine because "that is their function, that is their duty, that is their job. . . . There are functions in the AFCS 200 that were carried over from the legacy, meaning that there are cancel all modes of the machine to where regardless of what you wish to try to - - try to run through the machine, it will apply a cancellation mark to every single mail piece that it sees. The legacy had that function as well. . . . There's also a function in the legacy called a video facing mode, where it will try to make a determination of the - - of the facing of the - - of the piece to the image and then work rudiment - - rudimentary and it work okay, but the AFCS 200 has that function as well. . . . I can tell you from a design standpoint and from an implementation standpoint, they include functionality that the legacy did into the 200 because it was a replacement

piece of equipment." Asked whether he had heard that a Plant Manager had told the USPS, when the AFCS 200 was installed, that they really did not need this new equipment, that, to the contrary, ". . . I have heard directly from plant managers that they are very welcome that the AFCS 200 came and that it improved their processing of flow by then being able to dispatch through local plants that are nearby." Asked whether he had heard of plants at which the AFCS 200 had been installed that the plant was not utilizing the functions of the AFCS 200 and that they could have continued using the legacy machines, that the sort plans are defined by "FUIS, which is at - - at a more headquarters operations level that are defined that local sites give input for the different sort - - sort segmentations. . . . This is where the ZIP range elements start to come into play for the local sites to be able to define their - - what is local and what the ZIP ranges for the different pockets are. This is very similar - - we use FUIS for the DIOSS and the CIOSS and the DBCSs. Its very similar to that function. . . . For a local site or for a site to be using the - - the AFCS 200 as a legacy machine goes against what the design of the machine was intended for to do for - - based upon the sort plans. So the local site would have to custom make and replace that .stf file that I was referring to in order for them to dumb down the machine, the function of the legacy. So they . . . would have to hack the machine."

According to Mr. Schimmel, on cross-examination by NPMHU, at locations at which there remains a legacy machine after the installation of an AFCS 200, the "co-located sites, those sites had to get permission - - permission from headquarters operations in order for them to enable those machines. They were told not to turn them on, the legacies."

Mr. Schimmel testified, on cross-examination by APWU, with respect to the RCR connecting to the IPSS, ". . . I likened the machine to a DIOSS that cancels, and that's the reason why I reference it in that way. The AFCS - - the legacy machine did send an image off to RCR for resolution, but it only had that 180 milliseconds, so it didn't apply a bar code on the front, and it would potentially only give a five-digit resolution. It wouldn't give an 11-digit resolution because of the timing that was associated with the image processing that was available." Asked if he knew the percentage of mail pieces which are sent from the AFCS 200 to the RCR where the RCR is unable to read the address, Mr. Schimmel testified that it depends on the time of year, for example there would be a higher percentage during the Christmas season or Mother's Day, with more handwritten mail pieces that go to RCR. He added, "On average, the resolution of RCR is about maybe 20

to 25 percent of the - - of the mail volume on the AFCS." Mr. Schimmel testified that if a mail piece is handwritten it will be sent to the RCR unless it already has on it a sorting bard code; if it does not, the image is sent to the RCR for address resolution.

Mr. Schimmel testified, on re-cross-examination by NPMHU, that all handwritten mail on the AFCS 200 goes to the RCR if it does not have a sorting bar code on it.. Mr. Schimmel testified regarding the Remote Bar Coding System (RBCS), that the RBCS contains several subsystems and that one of the subsystems is the Image Processing Subsystem (IPSS). He agreed that the AFCS sends images to the IPSS which is "generally located in the same room as the RCR, . . ." Mr. Schimmel agreed that there is another subsystem, the Image Processing Subsystem Remote Encoding Center (IPSS/REC), such that the IPSS is located in the REC. According to Mr. Schimmel, at one time the Postal Service had about 50 RECs and "each individual plant was assigned to a specific REC. So when we had more than one REC, each REC had a specific service area that it - - that it communicated with. . . . And so, basically, it's like a game of telephone, where you have to have a telephone on each side. In this case, you have to have an IPSS on each side at the plant and at the REC. So now that we're down to one REC, all plants report to the one REC in Salt Lake City." Mr. Schimmel testified that he understood that, by 2012, there only were two RECs, Fort Wayne and Salt Lake City and there also had been an REC in Wichita.

AFCS Legacy - Enricher

> On the legacy machine, you have an enricher portion that looks similar to this, and then you have the seven stacker bins that come out of here, but the camera system is right next to the stacker area where the output of the machine is on the legacy machine. And that becomes important later on in the architecture when I start talking about some of the architecture differences.

Legacy - Seven Bins
AFCS 200 - 12 Bins

> So back to the 200 and its mail flow through the machine, after we've gathered an image of the mail piece, we then go through a

facing process. And the - - the legacy machine, you had seven bins, but only had four outputs. So you had - - and this was previously discussed, but the number of bins that were used was not previously discussed. So you do have the FIM, which is a facing identification mark, which is a bar code used for facing. Sometimes it's used as an indicator for cancellation, and that's depending - - it depends on how the machine is set up. That's the same on the legacy as it is on the 200.

Legacy - DIP/Toggle Switches
AFCS 200 - Sort Plan

On the legacy, you have DIP switches that the operator will then select, which literally is just a toggle switch. And then on the - - on the 200, it's dependent upon what the image of the mail piece has and what the sort plan has loaded which defines the behavior of the piece of equipment, whether or not it cancels the FIM or it doesn't.

* * *

So the - - the difference between the legacy and the - - and the AFCS on the cancellation of the FIM is driven - - on the legacy machine, it's driven by toggle switches by the operator, and the supervisor would then - - would tell the operator which toggle switches to flip.

On the - - on the AFCS 200 machine, that - - that process is not driven by the operator. It's driven by the sort plan, and it's driven by the configuration of the machine by software, which is a departure from what we had previously.

Legacy - Stamp Lead/Stamp Trail

So on the legacy machine, you had the - - the seven bins, but four striations. So you had FIM, and out of that FIM, you had two bins that were consumed. You had the lead bin and - - stamp lead and stamp trail. And what we mean by stamp lead, on the legacy machine, it was only able to get what we considered the face of the mail piece towards the operator. So a stamp lead is where the stamp

is in the upper right-hand corner as you were looking at the mail piece. And you can read it as normal. The text is in a normal orientation for you to read it.

Stamp trail is where the stamp is in the lower left-hand corner, but you still have the address facing towards you. However, the - - the text is upside down. So the operator would have to take that mail and then turn it 180 degrees for processing - - subsequent processing further downstream.

So that becomes important because of the number of bins and the number of separations. So on the legacy machine, you always consume two bins other than the reject bin. The reject bin is a single bin all on its own.

So for FIM, you have two bins, stamp lead, stamp trail. For local mail, which is mail destined for that facility, which - - and my office is in Merrifield, so we have the Merrifield - - so mail that's destined for Merrifield stays in the local bins, but again, stamp lead, stamp trail.

And then you have the outgoing bins, which is mail destined not for that facility, everywhere else, which is stamp lead and stamp trail and then reject. So there's your seven bins.

<u>AFCS 200 - Invert/Reverter</u>

So on the AFCS, we get everything so it's in a stamp lead configuration, where the stamp is in the upper right-hand corner and all of the text is as you would normally write and it's not upside down. So for that, that's where this enricher comes in, where we - - where we can invert the mail piece if it needs to be inverted, and then we can do this process called reverting, which is the switchbacks or the reversion elements of the video that you saw where the - - the mail piece came into a series of belts, came to a stop, and then was reaccelerated directly out. That's a reversion step, but - - not all mail pieces lead, but that's what we would need to do. We would need to invert and then reverse it in order to get it so it's looking at you in the right way.

* * *

Mr. Schimmel agreed, on cross-examination by the NPMHU, that the reverter simply improves the facing capabilities of the AFCS 200. He added, "The intention for that was to reduce the workload of the operator." With regard to changes made on the AFCS 200 compared with the Legacy noted by Mr. Schimmel had made the Operator's job easier, Mr. Schimmel responded, "It became different. I wouldn't say that it became easier. . . . my contention is that it became different because the operator no longer had to groom the mail at the feeder. The mail was automatically inducted. However, the operator has more reject areas to contend with and to make judgment of whether [or] not a piece is automation compatible to be reinfected into the piece of equipment." Mr. Schimmel agreed that, although there were fewer grooming or culling duties, there were additional points where the operator had to confront reject mail and make a determination what to do with that reject mail. Mr. Schimmel added that, ". . . the operator had to - - on the legacy didn't have to make a judgment on whether or not the pieces were in the correct bin. . . . On the 200, because of the different levels of sort and the types of sort plans that are loaded and the dynamic elements associated with the bin, the operator is more responsible with understanding if the machine is performing correctly and sorting the pieces in the correct bins. They're supposed to spot check." Mr. Schimmel testified, on cross-examination by the NPMHU, regarding the reverter on the AFCS 200, that "the canceller only is able to print 1-inch high, so in general, 98 percent of the time, the stamp is or the indicia is placed in the upper right-hand corner of the mail piece. But the mail pieces can range in height from 3 inches to 6 and an eighth inch. Since it's justified - - the stamps are usually justified to the top of the envelope, it's important to invert the piece to justify the top edge of the mail piece to allow the canceller to have the opportunity to - - to overprint the stamp or the indicia. . . . The same is - - the same is true on the legacy machine. We try to orient the mail so it's top justified as well. The same - - the same technology - - cancellation technology was on both machines, so we have to top justify for the cancelling activity."

AFCS 200 - Cancellation - Bar Codes

After that it goes through the cancellation, which is what was indicated in the video, with the stamp down. Then we then invert the mail piece again, get it so the stamp is up, and then we apply two bar codes. And this is where there's another departure from the legacy.

So the two bar codes that we apply are the - - what's called the ID tag and what I call the sort code. The reason why I call it the sort code is because when this machine was put in place, we used the POSTNET, and then we migrated to IMb, and both of them contained a sorting ZIP code associated with them.

Legacy - ID Tag
AFCS 200 - Sort Code

So the legacy machine only applied an ID tag. That is the only thing that the legacy machine is able to apply. So the 200 is able to apply a sort code, which is important for further discussion later on when we start talking about some of the differences in the operations on the two pieces of equipment.

After we apply the bar code, we then sort the machine - - sort the mail pieces to one of these 12 bins, and there 12 bins are dynamic. So how I was stating that the - - the legacy - - the legacy machine had four - - four segments or four sortation capabilities, FIM, local, outgoing or reject, the 200 has the ability to do those functions, but also is able to do many more segmentations, up to 12, because you have 12 bins.

AFCS 200 - DIOSS

So with that, the sort plan is much more complex and much more dynamic. So what - - when I'm explaining this - - this machine to folks that are familiar with some of the other processing pieces of equipment, I tell folks that the AFCS 200 is a DIOSS that cancels. And what I mean by that is, because we have the camera system at the front rather than at the back, we have two-and-a-half seconds of - - of belt or delay time in the machine that allows our OCR, optical character recognition, to work on the image to qualify the address of that piece. We also do other image processing during that two-and-a-half seconds for looking for the indicia.

Legacy - 180-millisecond Delay

V. AFCS 200 2.5-second Delay

So the - - the legacy machine, the camera system that gathered the image was right at the end, and it had 180 milliseconds to resolve that piece whether or not it was local or outgoing. The FIM detectors were further in - - earlier in the - - in the processing on the legacy, but the - - the sortation based upon local or outgoing was only a 180-millisecond delay. There's a big difference, 180 million seconds [sic, milliseconds], to two-and-a-half seconds from - - from a computing processing time. That's a massive difference. So it gave us a lot of time to do a resolution on those mail pieces to get the sort code on those - - on those - - on the pieces on the 200.

It's very similar to the DIOSS machine, which stands for DBCS - - it's another acronym. It's an acronym within an acronym. So if you aren't familiar, the DBCS is the Delivery Bar Code Sorter, and the the IOSS stands for input/output system. And what the DIOSS does, which is similar to what the ISS on the legacy processing did - - we still have a couple of of OSSs left, is it does the OCR of mail pieces that are entered into the plant, the processing plant.

So what this machine does, what the AFCS 200 does, is it - - is it attempts to do that function or it attempts to do the function of the OCR of the mail piece in that two-and-a-half seconds.

AFCS 200 - Determination
Of Mail Piece Value

When we - - during that two-and-a-half seconds, we're also looking at the indicia or the indium area of - - of the mail piece, and we try to determine mail piece value on the - - on the piece of equipment itself. So we will recognize a stamp and be able to determine the difference between a denominated stamp at a five-cent stamp or a Forever stamp, which is whatever Forever postage is at the time. Or, conversely, if it has a meter, we will read that meter, and we will determine the value of that meter.

So this piece of equipment has two categories for indicia. Three. Pardon me. Three categories of indicia. Good indicia. There's some subcategories there that I can go into a bit more. There's no

indicia, meaning there's nothing present, somebody forgot a stamp or whatever, or there's insufficient indicia. So, in other words, if somebody only put a five-cent stamp on a mail piece, we would say, you didn't put enough postage on that piece, and that would become a reject piece off of this machine.

The legacy machine did not do a tally of the postage present on the mail piece. It only recognized stamp or meter presence. It only knew there was something there and used florescence or phosphorescence from the indicia to be able to tell that. So it had a backlight that it would shine at the - - at the indicia area, and if something was fluorescent or phosphorescent is how we would be able to tell if there was a stamp present.

The AFCS 200 also has a presence detector, but we rely on the image processing for the value. So this is where the - - some of the differences between the sortation in the machine or the level of sortation that we can do dynamically on the AFCS 200 that we couldn't do on the legacy machine comes into play.

And the DIOSS machine does that same function of - - of being dynamic with the sortation, and you can have 222 bins on a DIOSS rather than 12. So the degree of segmentation that you have on the DIOSS is much greater, but it does a similar function, in that it does the OCR and then it does the - - the printing of an ID tag and a bar code, a sortation bar code, on the piece, and then it does some - - some type of sortation on it in a subsequent process. So the AFCS does do that.

The legacy only applied an ID tag, so what - - the mail flow for that system had to be where you took the mail pieces that were processed, local, outgoing, whatever, and then you processed them on a subsequent machine, meaning a DBCS OSS at the time - - we're talking many years ago now - - for being able to put the bar code on that mail piece.

. . . . Well, what wasn't discussed was the type of bar code, and that's a very important distinction between the two functions of the machines, because the legacy only did an ID tag; whereas, the 200 does the ID tag and the sort code. So I thought that was - - was an important distinction.

The other differences . . . there was what labels are needed. There is no label printer on a legacy machine, so there were no labels. Generally, it was done via a color-coded tray. In most plants, that's how they - - they did the segmentations between FIM, local and outgoing.

On the AFCS 200, very similar to a DIOSS, we do have the exact same label printer as a DIOSS does for tray labeling, and it's also dependent upon the sort plan that you load which pocket has what output in it. So we can dynamically assign an output for just Verizon's mail or just Netflix, for instance, because we do have some Netflix enabled stuff that we have in the field.

So we can dynamically assign whichever - - you know, we can say pocket 5 or we can say pocket 8, pocket 5 is for Verizon, pocket 8 is for Netflix. But if the volume shifts and we wanted to put more volume on the upper level, it just so happens that the bottom tier is pockets 7 through 12. So if you wanted to put higher volume mail on the top two, you could say, I don't want Verizon in pocket 5 anymore. I want Verizon now to be pocket 8.

So we can easily do that in the sort plan; whereas, in the legacy, you didn't have that degree of segmentation. So it's very similar to a DIOSS in that it's very configurable in the type of output that you can get out of the machine. And, again, there's the labeling that - - that the operator of the machine has to make sure that, one, they print the label; two, they label the - - the tray.

Because we have this capability, operations has - - has decided that one of the - - one or a couple of the outputs of this machine get immediately dispatched to an adjoining facility. So the example I give you is that Merrifield does the cancellation for Dulles. So the Dulles P&DC does not have any cancellation operations. They are pretty close to each other. However, Merrifield is the one that does the cancellation operations.

So what operations has decided to do is assign one or two bins, however many you want, really, but they designate one or two bins for Dulles specifically, so any of the ZIP codes that are serviced by the Dulles P&DC come out of that stacker bin. They immediately go into a tray and then immediately go to the dock to be dispatched. You

> could not do that on a legacy machine. You had to take that mail piece to another machine for it to process. You didn't have that flexibility. So that's something else that operations has done, where we're actually dispatching mail directly off of the machine for other plants.
>
> * * *

Mr. Schimmel testified, on re-cross-examination by NPMHU, regarding the bar code, that this would include, for example, a cable bill or a magazine subscription, "[u]sually, on those pieces, there will be a bar code, what we call a height modulated bar code, which is what the IMB is, where the - - the bars are taller or shorter or in a different position within the bar code. . . . Those pieces that already have that type of sort code or that sorting bar code on them, we would consider a pre-bar piece of mail." Mr. Schimmel testified that on the AFCS 200, the cameras take images of the bar codes or letters. Mr. Schimmel added that, "So those images are processed on the machine itself in the ACR, the advanced color recognizer. That's where the bar code engine, recognition engine, resides. So it will look at the image and then determine if there is a bar code on the piece and then try to resolve the payload that's contained within that bar code. . . . It then takes that information and passes it on to the other subsystems within the AFCS that I listed, the LLC, . . . Low Logic Controller, ACC, AFCS Control Computer, or the ACF, Advanced Co-Processor. . . . And from there, depending on the sort plan that is loaded, the resolution of the payload of that bar code will determine the handling or the sortation of that piece within the system."

<u>Graphical User Interface (GUI)/Human Machine Interface (HMI) Between Operator An Equipment Or Software</u>

Mr. Schimmel explained the term "GUI," the initials of which stand for Graphical User Interface," which refers to the interface between an Operator and a piece of equipment or software, and the term "HMI," the initials of which stand for Human Machine Interface, which he related to the buttons on the AFCS 200 machine in front of where the Operator stands near the 12-bin stacker. Mr. Schimmel testified about the "ease at which you can present mail to the manual feeder, the legacy machine, it was more difficult to present mail to it that needed to be cancelled. If mail was

entered through the BMEU or the bulk mail entry unit, that's on a pallet." He explained that, if there is trayed mail on a pallet that had stamps which needed to be cancelled, it is much simpler to process them on the AFCS 200 than on the AFCS legacy machine "because of how you feed the machine." Mr. Schimmel added: "This is very similar to a DBCS, Delivery Bar Code Sorter, how you stand - - stand at the feed ledge here. The legacy machine, you had to move the buffer feeder over and put mail up and over into the machine. This is much - - much more direct." Mr. Schimmel agreed that normally, this was done automatically.

Rejects - Legacy versus
AFCS 200

Mr. Schimmel noted that, on the AFCS legacy machine, there were three reject opportunities: the first during flats culling, "[y]ou had on the legacy what we call prime cull, which is here where the doubles detector and the over thick and the over height are, and then you had the bin, bin 7. So these are there three opportunities." He contrasted this with the AFCS 200, on which "you have six opportunities for reject mail: the flats extractor; fine cull one; fine cull two, where the doubles detector and the over thick are located; and in both "reverts or switchbacks . . . there are two areas where mail pieces - - where if the machine decides I can't handle this piece for whatever reason in the switchback, it then pumps that mail into a little - - little pocket underneath these covers. And there's two switchbacks, so there's two more here; and bin 12 is "our kind of catch-all for all types of - - of rejects." According to Mr. Schimmel, if Operations "sees fit, we can segment different types of rejects into different pockets if we so choose." For example, if the Inspection Service want to look at all of the mail pieces that have insufficient indicia, they can be processed into one bin. Mr. Schimmel testified that the AFCS 200 differs from the legacy machine "in that we can dynamically assign where we want either rejects or - - or normal mail to flow to." Mr. Schimmel testified that there is a single Operator of the machine, whether it is an AFCS 200 or a legacy.

According to Mr. Schimmel, the mail is dumped through the loose mail system, or the 010, "then you have the operator, and the operator is the one sweeping the bins or tending to fine cull one mail, seeing if there's - - if the mail is automation compatible. They would put it at the feed ledge here. . . . And as the machine is processing, if there's a gap in the mail stream large enough, it will inject the mail that has been riffled through,

either out of cull two, fine cull one or bin 12, and can be reinducted into the machine. So the operator is to finger through or riffle through the mail that comes out of the rejects to make a determination on whether or not that piece should be reprocessed. And if they do make that determination, they put it back on the feed ledger, and they - - they give it a second chance."

The USPS Jurisdictional Determination Dated September 28, 2012, The "Six Bullet Points"

Mr. Schimmel testified regarding the equipment described in the six bulleted points raised in the USPS's Jurisdictional Determination letter, dated September 28, 2012 (the drafting of which letter Mr. Schimmel did not participate):

> "Upgraded Transport System" The legacy machine could process only stamp lead and stamp trail, but "the reverter allows the AFCS 200 or enables the AFCS 200 to face all mail as you would normally see it, a stamp in the upper right-hand corner and the address vertically." He added, "that's an important function that allows the machine to function like a DIOSS from that standpoint, where it does the OCR or does the facing, and then it allows the mail pieces to go directly from that machine to another plant and be distributed outside of the machine." According to Mr. Schimmel, the legacy machine was not capable of doing that, "So the reverter took out a lot of the operational flow, a fair amount of operational flow, to a subsequent handling machine for - - for getting in the mail in the proper orientation."
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> "Two-Tier Stacker Module" According to Mr. Schimmel, "the ability to segment and dynamically allocate the - - the number of bins that are available to the AFCS 200 versus the legacy machine are - - are dramatic. The legacy only had the four segments that you could take advantage of in order to sort the mail; whereas, the 200 allows for a full 12 segments to be able to allocate from an operational standpoint the information that you want into the bins." Mr. Schimmel testified that, on the legacy machine, the operator selects the mode for the machine "via these little pinwheels, whether or not you're in a maintenance mode or you're in a cancel all mode or whatever mode.

It's very simplified, the type of interfacing." Mr. Schimmel contrasted this with the AFCS 200 on which the operator can use "the graphical user interface, which was described in the video, to go in and select a defined sort plan - - first of all, you have to select the mode in which you want to run the machine. So if you want to run in a normal - - what we call an ISS or input subsystem processing mode, you select that mode first, and then under that mode you can have a multitude of sort plans depending upon what operations wants. . . . So you can have five, six, seven, eight, 12 different sort plans depending upon the operational needs at the time. That's very similar to what's on a DBCS or DIOSS of a CIOSS in which you select the made that you want to run in, and then from that mode you select the sort plan you choose to run underneath that mode. The legacy did not have that function. You - - you had the pinwheels, and that's how you selected your sort plan."

"POSTNET Barcode Printer" The legacy machine did not print the POSTNET or sort code/bar code, it only printed an ID tag." The AFCS 200 is comparable in this respect to the OSS or DIOSS machine, in that it can print the bar code on the front of the mail piece, without having to send the mail piece to an OSS or DIOSS machine. The bar code is necessary "for delivery point sequencing, which is what the DBCS - - what the main function of the DBCS is. So the DBCS did not have any OCR capabilities. . . . So in order for the DBCS to adequately sort the mail pieces, it must have a bar code on it. So the 200, with the addition of this bar code printer, meant that the mail coming off of the 200 could go straight to a DBCS and be sorted or even in delivery point sequenced if the - - if the operations sort plan and flows were set up in such a way."

"New ICS Reader" Mr. Schimmel testified: ". . . what the ICS reader allows us to do - - the additional ICS reader - - is when a mail piece is processed and the image is picked up - - we all get the - - the realtor postcards in the mail. Those are usually really busy from an image standpoint . . . there's a lot of data and a lot of information on there, usually a lot of text and numbers . . . . We - - when we take that image and send it off to a computing system for a resolution, that computing system has to take all of that information into account and then try to find the address and then resolve the address. . . . So when that . . . local computing system isn't able to do that, then that piece is sent to - - the image is sent to the remote encoding center,

where a human looks at that piece and then keys in the address. But the information that goes from . . . the machine itself that processed the piece of - - the image of that mail piece is also the ID tag."

And this is what the ID tag is used for: So the ID tag is passed off to the remote encoding center for resolution. Once the DCO or the keyer at the - - at the REC resolves that mail piece, the resolution of the mail process, the - - one, two, three, four, five, six, seven, eight, nine - - the nine-digit zip, then gets associated in data to that ID tag. Then that information is then distributed to the appropriate processing facility that need that information. Usually it goes back to the same facility that processed that mail piece.

What happens on the subsequent handling of that piece after the remote encoding center has reviewed and - - coded that piece, when that mail piece is sent to the OSS, the OSS or the DIOSS reads that ID tag and does a lookup in a database to say, I see this ID tag, this license plate for this mail piece. Do you have any information about it? And if the process has - - has gone properly, the - - the result from the remote encoding center will be in that database, and the database will respond to that OSS or that - - that DIOSS if I have this resolution or I have this - - the ZIP code.

On the AFCS machine, the additional ICS reader that we put in reduced the amount of errors of the ID tags, which meant we reduced the amount of rehandlings of mail pieces for the downstream, but the - - the placement of the cameras, the imaging system, also meant that we did not need to rely on ID tags because we're also resolving to the POSTNET, so that's - - that's where that comes in.

* * *

Mr. Schimmel testified, on re-cross-examination by NPMHU, that the Output Subsystem (OSS) "is a modular component that's added to the modular base system of the Delivery Bar Code Sorter or the DBCS. So the DBCS is a modular system that we've hung or added components to change the function or the - - the - - increase the function of the machine. . . . So a DIOSS is a variant of the DBCS through its modularity. Same thing with the CIOSS, ... And the DBCS/OSS, DBCS Output Subsystem, OSS, is also a variant of the DBCS modular system." Mr. Schimmel testified that the mail that is sent from the AFCS through the Image Processing Subsystem (IPSS),

that are located either near the RCR or at the remote encoding center in Salt Lake City, is within the 25 percent of mail sent. According to Mr. Schimmel, "So we have two stages of image processing. We have what's called the front end and the back end when referring to optical character recognition. So we have the front end OCR - - RCR and the back-end RCR. . . . The front end RCR is where that two and a half to three second time frame comes into play. If a mail piece is very complex and busy and is not able to be resolved in that two-and-a-half seconds, the front end RCR will send a note back to the machine saying, I missed it, I didn't get it. . . . Then the system will - - will take that same image and then send it to what's called the back end through the IPSS, which is part of the RBCS. RBCS is a legacy term. We don't have RBCS anymore, but the similar core functions are still present. . . . So we then send that mail through IPSS to the back end, which is an RCR system that will take 20, 30 seconds or more to process a piece, and it doesn't get it, it sends it off to the REC, the remote encoding center, through the IPSS image handling highway, so to speak."

Mr. Schimmel testified, on re-cross-examination by NPMHU, that the RCR and the IPSS are contained within the same processing facility. When - - when those local systems within the P&DC, the local P&DC systems, are not able to make a resolution, that's when the system sends the image outside of the P&DC to the remote encoding center . . . for keying."

<u>Rejects on the Legacy Machines</u>
<u>Versus Rejects on the AFCS 200</u>

Mr. Schimmel testified, on cross-examination by NPMHU, with regard to rejects on the legacy machines, that there are three opportunities for a piece of mail to be rejected: flats; a pure cull; and the number 7 bin or reject bin. Mr. Schimmel added, with respect to the AFCS 200, that there are six opportunities for a mail piece to be rejected. According to Mr. Schimmel, ". . . the AFCS 200 has the ability to segment the rejects by category, meaning for that sort plan and those key words that I was referring to earlier, you're able to segment different reject categories into different bins if - - if you so wish, if operations wishes." Mr. Schimmel stated that rejects based on the size of the mail piece, e.g., flat versus letter or thicker mail versus thinner mail, "[t]hose are mechanically handled. So there's two - - two opportunities within both machines, the legacy and the 200, for mail that is either too tall, more than six and one eighth of an inch tall, or too thick. . . So in the . . . after the hopper, feeder and the incline,

that's the first opportunity for too thick, and then the first opportunity for pieces that are - - I think it's 7 inches, 8 or 9 inches. . . . That's where the drum is that has the four - - four dots at the top. That's a fixed setting. So if the mail piece is too tall, it gets pinched there and then pulled out. . . Then in both machines - - on the legacy it's called just fine cull, . . . On the 200 machines, it's called a fine cull two, because you have two opportunities on the 200. There's an over height and an over thick and there's over stiffness detector that will eject mail out of that . . . fine cull two. So non-automation-compatible mail will get ejected out of the machine there. So it's mail that is either too stiff, meaning two CDs together - - that would be too stiff - - or DVD disks . . . something that is over 6 and an eighth tall, or something that is thicker than one quarter of an inch." Mr. Schimmel testified that, ". . . in the many steps of trying to get a mail piece to be what we consider to be automation compatible, there are several categories that we would factor in." Mr. Schimmel listed, on the legacy machine: mail pieces that did not have a hot indicia, the meter or the stand, would go to reject bin or FIM; if a FIM mail piece is detected, it goes to the FIM bin if that was defined; there are several FIM bar codes, A through E, with F and G reserved for the future. On the legacy machine, you have the opportunity to sort the different FIMs to the FIM bin via toggle switches on the operator control panel. On the AFCE 200, that is done via image in the sort plan. On the legacy machine, if the FIM was not defined to be able to sort to the FIM bin and there was no indicia on that piece, it would go to he reject bin. On the legacy machine, we try to sort that piece depending upon the sort plan that's identified, if we allow it to sort. On the AFCS 200, we have the ability to verify bar codes that we spray, which the legacy machines did not do. When we have a bar code verifier error after we spray the ID tag or sort code, we verify what we printed. If it fails that verification, we can pull that mail piece into the reject bin. Operations has determined that if you only have one failure of the verifier to allow that mail piece to flow because potentially we can sort that mail piece on one of the bar codes downstream. "So we've fine-tuned the reject flow from a sort plan standpoint. From an operator standpoint, it's transparent to them. They're just sweeping the mail, putting it in the pocket for the next operation."

Additional Aspects of
The AFCS 200

Mr. Schimmel testified, with regard to aspects of the AFCS which were not discussed in the USPS's Determination letter, as follows. According to

Mr. Schimmel, the legacy AFCS had two indicia detectors which "looked for a facing identification mark, looked for the FIM, and it looked for the presence of some form of indicia, meaning that a mail piece had to have something that is hot on it. What we define as hot is something that fluoresces or phosphoresces. The legacy machine used that presence or that casing identification to determine the face of the mail piece. That's the only means that the legacy had for determining the facing mail piece." Mr. Schimmel added that the AFCS 200 "uses an image to identify a stamp and identify the value of a stamp, which is a departure presence only. So the legacy is presence only. The AFCS is image recognition with intelligence for value." Mr. Schimmel explained further: "So even if you had four stamps on that mail piece, but they were all four one-cent stamps, the AFCS will tally those four pieces of indicia and say, oh, you only have four sets of - - of postage on this piece and it's insufficient postage. . . . Or conversely, if you had a Forever stamp and a 20-cent add-on stamp, it will say there's 75 cents of postage on this piece. So that has implications for our finance group, but not for this - - the purposes of this discussion, but that was one of the things - - one of the reasons for being able to do that - - that type of segmentation. . . . The intention was to allow the operators to finger through the mail and look for mail pieces that were either no stamp or - - or short paid."

Mr. Schimmel testified that one other thing that the AFCS 200 can do, through the sort plan, is to qualify mail pieces that are only permanent indicia, which normally is entered only through the BMEU or somebody writes "return to sender" or "doesn't live here" or something like that and drops that mail piece into a blue box. According to Mr. Schimmel, those pieces "will not have any - - no meter, so there won't - - it won't be hot. . . . it won't have a facing notification mark. It won't have a FIM." According to Mr. Schimmel, those pieces would go to a reject bin on the AFCS legacy machine. "We did not have any control over those pieces because we did not know what the level of indicia was there, whether it was a permit indicia or not." Mr. Schimmel testified that, on the AFCS 200, "we can identify these through the image and say this is a permanent piece, and we can choose - - operations can choose, Inspection Service, whoever - - can choose whether or not to allow a piece to flow or to hold that piece out. So that's another where this - - this machine is more dynamic and has higher capabilities."

Mr. Schimmel testified, on cross-examination by APWU - with respect to the ability of the AFCS 200 not only to identify whether the mail piece

has a stamp but whether the amount on the stamp is sufficient - that the analysis is performed both for color and grayscale image in the Advanced Color Recognizer (ACR), which is the computing system that is connected directly to the cameras. That computing system does an image analysis of the four images and determines whether the indicia is a meter or PVI of a stamp or permit indicia. According to Mr. Schimmel, "When the image is being processed and the ACR has made a determination on the type of indicia, it will then go through a process of - - if it's a meter, of trying to read the value of the meter or of the printed value. It will also do an analysis of the IMI, or Intelligent Mail Indicia, which is the 2D data matrix bar code which looks like a QR code for layman's terms. It will decode that and pull the value out of that decoded bar code. . . . When it comes to a stamp itself, we have what we call our stamp database. And there's a process by which we do an association of the images, so you train this stamp database that has about a thousand stamps in them for a comparison of the ACR to do to this stamp database. So there's a golden set of images that the ACR has in its database, and it takes the new image that it's collected from each mail piece, if it determines a stamp is on there, compares it to the database, and then the value in the database is assigned to that piece. . . . So if you have more than one stamp, it will try to . . . compare each one of those stamps that are on that particular mail piece and then it will do a summon effort to tell the downstream systems the amount of - - the type and the amount of postage present on the mail piece. . . . So if you have a meter and a stamp, it will do a summation of the meter value and the stamp value. . . ." Mr. Schimmel added that, ". . . if the threshold is not met for adequate postage or sufficient postage, we consider that mail piece to be of insufficient postage. Based upon the sort plan that I've referred to previously, we will outset, if desired, that particular mail piece to a specific pocket. . . . Now we can jackpot that outset into the reject bin, which is bin 12, or we can pull it out to bin 11, bin 9 or whatever, but it's based upon a key word of where the insufficient postage would go." Mr. Schimmel testified that, currently, the outsorted mail piece is directed by the sort plan to bin 12, at which point "[t]he operator would then riffle through the mail and make a determination on the - - what type of error was on that piece and either try to reinfect it or send it on to manual. Maybe the . . . machine didn't see one of the stamps on the piece, so the operator said, oh, it looks like there's sufficient postage here, I'm going to run it through again. Maybe one of the stamps was counterfeit. Who knows? But they may give it a mulligan and try to run it through again."

Mr. Schimmel continued, on cross-examination by APWU, ". . . So if you think of . . . the legacy as . . . a type of grate and the 200 as a type of grate, the legacy holes will be larger, right? So it's not only - - it's not able to break the mail that it's processing down into different segments, right? . . . The 200 has smaller holes, so - - but more of them, so you can get more segments out of the . . . machine . . . ." Mr. Schimmel testified, with regard to whether the legacy machine could determine whether a mail piece had insufficient postage, "So the legacy could only tell that there was stamp - - a stamp or stamps and/or a meter and stamps. . . . So the - - the meters will be hot or will react to . . . to ultraviolet light with the florescence, and stamps will react to ultraviolet light with phosphorescence, and the difference between the two are, fluorescence, when you remove the light source from the source of excitement, there's no longer any more emission from that - - that item, meaning it doesn't fluoresce anymore. Phosphorescence, when you remove the light source or the energy source, it will decay, so it will slowly dim out. . . . So there's a difference between phosphorescence and fluorescence. So we have phosphorescence in our stamps, florescence in our meters. . . . So the legacy will only see that there is something that is in the green spectrum, which is the phosphorescence. So if you have multiple stamps, it would just say stamp. . . . The 200, if you have multiple stamps, it will tell you what the value of the stamps are, if they're in the database, and which on they are. So . . . it will tell you the difference between those three [different stamps], and then it will sum them up."

Mr. Schimmel testified, on re-direct by the USPS, with regard to his "grate" analogy, that he intended to apply that to the "overall sorting capability of the - - of the equipment. The reject portion is only one small portion of the function and capability of the machine."

Testimony of Patrick Devine

Patrick Devine testified, on behalf of the USPS, that he has been involved in various capacities with the RI-399 Jurisdictional Disputes Resolution process for the USPS for about 17 years, as an Attorney and as a Labor Relations Specialist in the APWU Contract Administration unit. This included responsibility for the Tech and Mech Committee which met with the APWU and the NPMHU on proposed automation and machine changes.

RI-399 Guidelines

Mr. Devine testified, with regard to the RI-399 Guidelines, that it was an instruction which had been issued by the USPS which had been grieved by the APWU and addressed in the Arbitration Award by Arbitrator Howard Gamser. Mr. Devine noted, with respect to RI-399, that it sets forth some general principles and states, at part 2A, as relevant: "All actions taken relative to implementation of these guidelines must be consistent with an efficient and effective operation." Mr. Devine noted that this statement is consistent with the provision in the 1970s Postal Reorganization Act insofar as Congress mandated a need for management of an efficient operation. Mr. Devine testified that the RI-399 document sets forth craft designations which were last revised in 1984. According to Mr. Devine, with respect to how these craft designations are used in making a jurisdictional determination:

> . . . Well, as you can see on the document itself and as recognized by Arbitrator Gamser, the flow of the operations provides a basic skeleton of the mail processing operations in postal facilities.
>
> So you see there in operation 001, platform acceptance and weigher's - - weigher's unit, that's where the mail comes into the building, and then proceeding next to 010, it's where the mail begins to get prepared and so on and so forth.
>
> So these are applicable to, among other things, applying the primary craft destination for any operation - - any operation and particularly if we get new equipment in making the determination on that equipment.
>
> * * *

Mr. Devine testified, with regard to the relevant designations for the instant cases:

> Well, you have it right there in front of you in the 010. You have the face and canceled letters on the facer canceller, the Mark II or equivalent, which you see in number 6. Right there you see to the right of that the primary craft designation is for the mail handlers.

> If you were to scroll down to beginning with operation 030 - - okay - - you see there you have, in number 4, distribution of letter mail, distribution of NIXIE mail, designated - - the primary craft destinations [sic, designation] there is to the clerks.
>
> So already you can see as it pertains to this case that the facing and canceling of the work is consistent with the primary craft designation going to the - - to the mail handlers, but beginning with 030 and continuing - - I would continue all the way down to 0 - - 080. Okay. There you can see the machine distribution of all classes of letters is - - primary craft is the clerks, and so that's designated there as the LSM distribution.
>
> And it continues on to the next page . . . in the 08 - - 088-089, and the 090 for the distribution of classes of letter mail. So when it comes to distributing letter mail, clerks are designated as the primary craft.
>
> * * *

Mr. Devine testified, with respect to a "revenue protection function," at 175, involving "identifying and reporting, as appropriate, mail not meeting postal regulations," including mail which was short on postage, which has the Clerks as the primary craft designation.

Mr. Devine agreed, on cross-examination by APWU, with regard to the Operation 010, Originating Mail Preparation, in the RI-399 Guidelines, that although function No. 6, Facing and cancel letters on the facer/canceler (Mark II or equivalent) is assigned to Mail Handlers as the Primary Craft, function No. 10, Rate and Cancel Short Paid Mail, is assigned to the Clerks as the Primary Craft. Mr. Devine testified, ". . . That was an instance that I would include in clerks being assigned to the revenue protection." Mr. Devine agreed that the same concept applied to Operation 020, No. 4, Reporting Mail With Incorrect Meter Dates and Rating Short Paid Mail."

<u>The "Replacement Principle"</u>

Mr. Devine testified, with regard to the "replacement principle" under the RI-399 Guidelines, that this is a term "basically, where, when we make

these jurisdictional determinations, we are looking at the fact that mail that was previously processed by a particular craft that's been replaced by the processing by machine, you would designate that to the - - to the craft that was originally doing that work. . . . So, for example, as I said earlier, for the AFCS originally, because it was canceling the mail, the primary craft designation was to the mail handlers, but once the distribution function was added, that's a letter - - a clerk craft determination. So that would - - that would be something that we would designate to the clerk craft." Mr. Devince agreed that, in making a jurisdictional determination involving the operation of a machine, ". . . you look at both, actually. You look at what is the operator doing on the machine, as well as what does the machine do. . . . The first [example] was on the - - which was a case that was arbitrated in front of Arbitrator Sharnoff that I handled, which was the Letter Mail Labelling Machine. So the - - the work itself, applying a label to the envelope, would be considered mail preparation, so that's what the employee would be doing. So because it was mail preparation, normally, that would be assigned to a mail handler, but we made the determination in that case to designate it to the clerk craft because it was part of the distribution function, . . ."

Mr. Devine testified that another example involved the ". . . Small Parcel and Bundle Sorter. There you have, as - - as suggested by the name of the machine, Small Parcel and Bundle Sorter, you have the distribution of small parcels and bundles being performed on that machine, so that's a distribution function. . . . And what we had done in that case - - actually, it was for the first time. We assigned a mail handler for the sweeping that was involved in that machine. So that was an example of something where the machine distribution was important, but so too was the performance of the sweeping of the mail on that machine."

<u>The "Six Factors" - 1975 MOU</u>
<u>On Work Assignments</u>

Mr. Devine testified that ". . . the six factors emanated from an MOU that was created back in 1975, when all of the unions jointly bargained, and it was concerning work assignments. And those six factors now appear in the respective collective bargaining agreements when new work is being assigned." Mr. Devine discussed the Six Factors, as follows:

". . . So the first of which is the existing work assignment practice. So, basically, what do mail handlers do and what do clerks do? And as we see in the - - that's going to be a determination that we're going to take a look at later as the machine does more distribution. . . . Manpower cost is something that we've never applied to a jurisdictional craft determination."

"The next is the avoidance of duplication of effort and make work assignments. So as you see, we had originally a single operator on the AFCS, and we still have one single operator on the AFCS. So there was no duplication. There's no creating an extra assignment, as it were."

"The next factor is the effective utilization of manpower, including a need to assign employees across craft lines on a temporary basis. That wasn't a factor here whatsoever."

"But the integral nature of all duties which comprise a normal duty assignment, obviously, you have a mix within, as I pointed out, on a single machine where you have several different things going on, both mail preparation and the distribution of the mail as well."

"And them finally, what's probably the most relevant is the contractual and legal obligations and requirements of the parties. That has been basically reduced down to applying RI-399 and all of the arbitration awards and jurisdictional craft assignments that predated the need for those awards. So that's the basket of contractual and legal obligations."

Mr. Devine agreed, on cross-examination by NPMHU, with respect to the "six factors," that the Postal Service sometimes uses them to determine new positions and he acknowledged that the Operator position on the AFCS 200 is not really a new position. Mr. Devine agreed that the first factor is existing work assignment practices and stated that he fully considered that the Operator on the legacy machine had been a Mail Handler craft employee.

<u>The Letter to the Unions</u>
<u>Notifying them of the Proposed</u>
<u>Changes to the AFCS Legacy Machine,</u>
<u>Dated March 20, 2011</u>

Mr. Devine noted the letter from the USPS to the APWU and to the NPMHU, dated March 20, 2011 [quoted above], which advised that the USPS was "deploying an updated version of the Advanced Facer Canceller System (AFCS), Model 200," and described some of the increased capabilities of the machine.

The Tech Mech Meeting
On the AFCS 200 in 2011

Mr. Devine testified, with regard to the power point presentation of the AFCS 200 at the Tech Mech Meeting held by the USPS with the APWU and the NPMHU on , that he had been provided with a slide deck by the Manager of Processing Operations, with copies of the power point presentation provided to the Unions. Mr. Devine testified that the Tech Mech Meetings are supposed to be held on a quarterly basis with the USPS "required to present to both the APWU and the Mail Handlers Union the update on the machinery."

The Site Visit to Observe
The Operation of the AFCS 200
July 10, 2012

Mr. Devine testified that the USPS held a site visit for the APWU and the NPMHU to observe the operation of the AFCS 200 on July 10, 2012. Mr. Devine's associates Rickey Dean and Jaqueline Adona attended for the USPS accompanied representatives from each of the Unions. The site visit was to the USPS's Southern Maryland Processing & Distribution Center and Network Distribution Center. Mr. Devine testified that he has observed the operation of the AFCS 200 on other occasions. Mr. Devine testified that, by letter dated July 11, 2012 [quoted above], after the site visit, he invited each of the Unions to submit a statement regarding whether a jurisdictional craft determination was required in the circumstances and, if so, to which craft the USPS should assign the operation of the machine.

Responses by the APWU and by
The NPMHU to the Request by the
USPS for their Respective Positions
On the Craft Determination for the

AFCS 200 - July 2012

Mr. Devine testified, on direct by the USPS, that the APWU and the NPMHU each submitted a statement of position [each statement is quoted above] with regard to the issues posed by the USPS's letter dated July 10, 2012, regarding whether a craft determination was required for the job of operating the AFCS 200 and, if so, to which craft such position should be assigned. Mr. Devine noted that the APWU took the position that not only the Operator position on the AFCS 200 should be in the Clerk Craft, but that all allied duties on the AFCS 200 should be assigned to the Clerk Craft. Mr., Devine stated that he had reviewed and had considered each Union's statement of position in making the craft determinations.

NPMHU Dispute Concerning
The AFCS 200 Raised in October 2012

Mr. Devine, on re-cross-examination by APWU, stated that he did not recall that the NDRC ever took up the disagreement with the AFCS 200 Craft Determination which had been raised by the NPMHU in October 2012. Mr. Devine testified that the NPMHU did not advise the NDRC that it lacked any information about the AFCS 200 and that the NDRC never formally issue a resolution of that dispute. Mr. Devine testified:

> I don't remember seeing the letter itself, but I think the fact that we're here and also the fact that all of those arbitrations were reviewed during the negotiations of that MOU, update MOU in July of 2018.
>
> So I did not personally go through that list of outstanding arbitrations, but all three parties did and this - - this case was included in that - - in that list that weren't resolved by the MOU and needed to be arbitrated.

* * *

Other Considerations For the
USPS's Craft Determinations

Mr. Devine testified that, in addition to the statements of position filed by each Union, he had "a lot of interaction with the folks in processing operations, including their - - their manager, Frank Neary, rest in peace, and the members of his staff. So I had several opportunities to work with them, meet with them, and learn all about this newfangled machine we were getting." Mr. Devine noted that Rickey Dean also had been involved in the craft jurisdictional determination, which he drafted.

The AFCS 200 Craft Jurisdiction Determination
Letters, Dated September 28, 2012,
Re: Additional Stackers Increased Distribution

Mr. Devine testified with regard to the letters, dated September 28, 2012 [quoted above], which had been sent to each Union setting forth the basis for the USPS's craft jurisdiction determination for the AFCS 200. Mr. Devine testified concerning the statement, "The system enhancements illustrated below are significant and represent a complete change in the performance and service of the AFCS.":

> . . . what happened here is you had an increase of stackers from 7 to 12, and as it points out - - I believe it's on the next page - - there's actually an addition of eight additional stackers, which - - it's on the - - in the greater depth-of-sort portion there.
>
> And what that means is that this machine is now capable of performing distribution to eight additional - - eight specific places that could be culled out in these stackers, and as Todd [Mr. Schimmel] explained could be used for the processing of those places.
>
> So at that point, it was clear that it went beyond - - you may recall Bruce's [Mr. Lerner of NPMHU] cross-examination of the APWU witness about local out-of-town splits. So it was clear that by having these eight stackers, we were now looking at going way beyond local out-of-town splits and that this machine was actually performing distribution.
>
> . . . When I was referring to the 12, I was referring to the outputs. So you - - . . . a total of eight outputs that you could now use beyond

your rejects and your local mail, the things we had previously used this for.

* * *

Mr. Devine acknowledged, on cross-examination by NPMHU, with regard to the presence on the AFCS 200 of the reverter [see Mr. Devine's testimony below] and the increase from seven stackers to 12 stackers - which actually resulted in an increase of eight additional outputs/stackers being available on the AFCS 200 - that these considerations were set forth on the second page of the USPS's Craft Determination letter under "greater depth-of-sort." Mr. Devine agreed that he had testified on direct that the fact that the AFCS 200 has the ability to sort in greater depth was the key factor of the USPS in its determination to change the Operator position to the Clerk craft.

Mr. Devine testified, on cross-examination by NPMHU, with respect to the basis for the USPS's Craft Determination in September 2012, that their basic point of view was that because the AFCS 200 had available eight additional sortations, the AFCS 200 was performing some sortation that had become more like distribution. Mr. Devine added, ". . . And you could change the sort plan on the machine to reflect that."

<u>The Camera on the AFCS 200</u>

Mr. Devine testified, with respect to the fact that it subsequently became known after the AFCS 200 began operations that the camera took an image and sent that image to a Remote Encoding Center [REC], where Clerks inputted information into keyboards. Mr; Devine stated that, even if that had been known at the time the determination was made, the determination would have been the same because ". . . that's distribution."

<u>The LMLM Jurisdiction Arbitration</u>

Mr. Devine stated that the assertion of the USPS - that taking an image of a piece of mail which then is sent electronically to an off-site location is part and parcel of distribution - had been covered in the LMLM case.

Mr. Devine, on cross-examination by NPMHU, did not agree that the LMLM determination had been based on the view that it would be more efficient to use Clerks, who were bringing the mail and actively engaged around the LMLM machine, to do the labeling machine work. Mr. Devine added, "But more importantly, it was part of the distribution function and not simply mail preparation. That's the difference." Mr. Devine agreed that the LMLM was not in the mail preparation unit but, rather, was in the distribution section. Mr. Devine agreed that the AFCS 200 is in the mail preparation section, right near the docks, and that it could be that the mail that's going into the machine mostly is raw or collection mail. He agreed that the first thing that the USPS does to mail - in the 010 operation - is to face it and cancel it. Mr. Devine agreed that the situation in this case, insofar as it involves the AFCS 200 being located in the mail handling section, presents a different situation than the presence of the LMLM in the distribution section of a facility. Mr. Devine agreed that the "efficient and effective" argument, which was used by the USPS in the LMLM case, is not available in the same way in this case insofar as the AFCS 200 machine is located in the mail preparation unit.

The Reverter

Mr. Devine testified that the reverter on the AFCS 200 eliminated the need to fill two of the stackers with mail that had different orientations and instead filled only one of the stackers by facing mail into a single orientation. Mr. Devine testified that the new reverter freed three existing stackers, so that it provided eight additional sorting needs.

Mr. Devine agreed, on cross-examination by NPMHU, that the reverter allows the machine to face the mail in one direction, rather than two directions that resulted from with legacy machine, and stated that facing the mail in one direction, rather than in two directions, constitutes traditional facing of mail, which is mail preparation.

Increased Process Flow
Reduced Downstream Handling

Mr. Devine testified that ". . . the end result was that we were going to be improving the process flow, and more importantly, reducing the downstream handling. . . Those downstream handlings, as we all know,

were performed by clerks on the OSS and on the Delivery Bar Code Sorter, so that - - that was a significant portion of the determination as well. . . . So now you had something being captured on the AFCS instead of downstream."

Cross-Utilization Opportunity

Mr. Devine testified about "cross-utilization opportunity":

> . . . we heard Todd [Mr. Schimmel] talk about that, where you're using the - - the machine as a standalone OCR, and he was talking there about using the utility - - utility - - processing the utility bills.
>
> And if you recall the - - the diagram, you had that - - that ledge, which, by the way, is exactly designed the same as the ledge that clerks load mail onto the Delivery Bar Code Sorter. So the - - the opportunity there was you could run this through and - - and - - and eliminating a standalone OCR or ISS.
>
> * * *

Mr. Devine testified, on cross-examination by APWU, with reference to the OSS and the DIOSS that they are "comparable," but he was not aware of the exact differences between the two.

Recognition of Stamp/Postage Value

Mr. Devine testified with regard to the enhancement on the AFCS 200 which allowed it to recognize the value of a stamp or postage versus the legacy which could detect only the presence of a stamp or postage:

> . . . that's important, because as we were fumbling through the text of RI-399 earlier, the . . . machine could recognize not only that it was - - a particular letter piece was short postage, but also be able to determine how much it was short.

> So that increased the capability of the machine itself to perform mail processing clerk work, so that was another - - another motivation, although it was not specifically listed in the letter itself.
>
> * * *

Mr. Devine testified, on cross-examination by NPMHU, with regard to there having been another important factor in making the Craft determination in the letter of September 2012, which had not been mentioned in that letter. According to Mr. Devine, that factor was "[s]hort postage." Mr. Devine stated that he did not recall whether he had been aware of that consideration at the time the determination was made, which could be a reason why that consideration was not included in that Craft Determination letter.

Mr. Devine subsequently testified, on redirect examination by USPS, that he drafted the letter, dated March 24, 2011, from the USPS to both Unions, concerning the intent of the USPS to deploy the AFCS 200 and that the statement in this letter regarding the existence in the AFCS 200 of a "stamps database that will improve revenue protection by detecting invalid or insufficient postage," refreshed his memory about that feature of the AFCS 200. Mr. Devine testified in this regard, "In 2011, I was aware of it and probably should have included that in the jurisdictional craft determination letter. Mr. Devine agreed that, in the Power Point presentation of the AFCS 200 at the Tech Mech meeting in 2011 [discussed further below], there was a reference to postage identification as a feature of the AFCS 200: ". . . Ability to sort no postage and short paid postage." Mr. Devine agreed, on re-cross-examination by NPMHU, that the AFCS legacy had the ability to sort "no postage," with the difference between the legacy and the AFCS 200 being the latter's ability also to sort "short paid postage."

Mr. Devine testified, on re-cross-examination by NPMHU, that it is not a sortation unless you define sortation to mean the same as culling or separating, so that the word "sort" in the Power Point on the AFCS 200 in March 2011 did not suggest that this constituted "distribution". Mr. Devine agreed, on re-cross-examination by NPMHU, with regard to RI-399, Operation 010, Function 10, that what the AFCS 200 is doing concerning "short postage" is to identify letter mail that either has no postage or short postage and that the identification of such mail means that that mail can be "sorted" or separated out from the rest of the mail, so that Function 10,

which primarily has been assigned to the Clerk Craft is not "sorting" short mail but, rather, is rating and canceling such mail after the proper postage has been determined. Mr. Devine agreed that once it has been determined how much the mail is short, the employee who works on that mail would be provided that information and would have the job of reporting it or rating it. Mr. Devine agreed that, as a general rule, "revenue protection" in the USPS is the responsibility of all employees.

Mr. Devine, on re-direct examination by USPS, agreed that, although Mr. Devine did not participate in the AFCS 200 site visit, the above-discussed features were noted in the Craft Determination position statements submitted by the APWU and by the NPMHU which he considered before the Craft determinations were made.

Mr. Devine testified, with regard to his earlier testimony that he had had personal experience operating a Mark II Canceller and whether that machine was comparable to the AFCS 200:

> It's completely different. Basically, what you're doing is the - - the operator, as it were, is just taking mail, orienting it, and then putting it on the ledge similar to a DBCS ledge and then just turning it on, and the letters run through, receive the date stamp and the cancellation of the stamp, and then you just retrieve those letters from the - - the bin at the end.
>
> * * *
>
> . . . That's the Mark II. That's - - that's a different process where the mail gets dumped in and inducted into the machine automatically.
>
> * * *

Mr. Devine agreed, on cross-examination by APWU, that the Mark II did not have any function regarding address verification and validation, it just cancelled mail.

<u>Loading the Sort Code</u>

Mr. Devine testified, with regard to loading the sort code on the AFCS 200, that it is entered at the GUI. Mr. Devine noted, with regard to the Job Description for the Mail Processing Clerk positiont: ". . . under number 2 for the duties that they perform, you see loads mail, culling out non-processable items, enters sort plan and starts equipment. . . . So ordinarily, when you have the entry of the sort plan, whether it's the operator themselves designating which sort plan or under the direction of the supervisor, that's part and parcel of the mail processing clerk's job duties right there under number 2."

Mr. Devine, on cross-examination by NPMHU, agreed that he had stated on direct, that the entry of a sort plan was listed in the Mail Processing Clerk's Job Description. He also acknowledged that the entry of a sort plan was part of the duties of the Mail Handler on the legacy machines. Mr. Devine testified that, in 2012, he did not know the distinction of the change in entering the sort plan was from a combination lock type device to a computer screen and keyboard. Mr. Devine stated that he was not aware whether the USPS, when it first introduced the AFCS legacy machines in the early 1990s, had determined that entering sort plans primarily was Mail Handler work. Mr. Devine agreed that, at the time that the determination was made in 2012 to assign this work to Clerks on the AFCS 200, that in all prior years the work of entering sort plans primarily had been assigned to the Mail Handler Craft.

Tray Labeling

Mr. Devine testified, with regard to tray labeling: ". . . that appears elsewhere. I believe it's somewhere in the text of 399, but that's generally clerk work as well."

Printing the Bar Code Onto
The Envelope

Mr. Devine testified, on cross-examination by NPMHU, with respect to the AFCS 200 having the ability to print the bar code or other information onto the envelope, as set forth in the third bullet point of the USPS's Craft Determination letter of September 2012, that the printer reduced the downstream handlings. Mr. Devine agreed that, in a substantial number of situations, the information printed results from something that happens

away from the AFCS 200. Mr. Devine agreed that, as stated in that letter, by spraying a POSTNET bar code on mail pieces by the AFCS 200, it allows this mail to bypass the output subsystem [OSS], and to be sorted directly under the Delivery Bar Code Sorter [DBCS].

The Reduction of Downstream
Automation Handlings/Laser

Mr. Devine testified, on cross-examination by NPMHU, with regard to the fourth bullet point in the USPS's Craft Determination letter of September 2012, the most important aspect was the reduction of downstream automation handlings. Mr. Devine agreed that the fact that the error rate on the new reader on the AFCS 200, as compared with the situation on the legacy, was not really relevant to the jurisdictional determination.

Re: APWU's Assertion that "Allied Duties"
On AFCS 200 Should Be Assigned to
The Clerk Craft in Addition to
the Operator Position

Mr. Devine testified that he did not agree with regard the APWU's assertion regarding the USPS's Determination Letter to the effect that all of the allied duties performed on the AFCS 200 should be assigned to the Clerk Craft along with the assignment to the Clerks of the Operator position. Mr. Devine stated:

> No, because if allied duties can be efficiently separated, they don't necessarily go to the craft that's performing the distribution.
>
> So as we see in the letter, we continued to have the mail handler performing the induction activities, which were described by Todd [Mr. Schimmel] as using the Barney, as they call it - - it's the purple robot - - to dump the raw - - what I call the raw mail into the - - the bins at the beginning.
>
> You also could take a hamper full of letter mail and dump that into that - - that bin as well. And that's something that Mail Handlers

do on a regular basis, so that's - - they're already the primary craft for that type of work. So for that reason, we did not agree with the APWU.

* * *

Re: Protest of the APWU Re: The Assignment of Mail Handlers on the Legacy Machine

Mr. Devine testified, on cross-examination by the NPMHU, that he had not been involved in the USPS's craft determination regarding the assignment of Mail Handlers as the Primary Craft on the AFCS legacy machine in September 1999. According to Mr. Devine:

> Well, understanding that at that point in time, in September of 1999, that's what the AFCS system was doing. It was facing and canceling mail, so - - and that is a mail preparation activity. So for that reason, I believe that this is - - this is the correct determination to make, not only because we made the determination, but it's certainly consistent with the distinction between clerks doing distribution and mail handlers doing mail preparation.
>
> The Mark II facer/canceller machine, I had mentioned to you that I had worked for some time up in Troy, New York as a mail handler. I used to operate a Mark II as part of my duties.. Basically, what I was doing was I was taking a tray of letter mail for - - customers had requested the Troy, New York cancellation mark on their letters, either for the significance of the Troy, New York or the significance of having it on that day, for example, for, at that time, the tax returns, and that was part - - a regular part of my job. So Mark facer/canceller, that was and should have ben assigned to mail handlers.
>
> * * *

Re: Tech-Mech Committee Meetings

Mr. Devine testified, on cross-examination by NPMHU, that he was not certain at what point the Mail Handlers began attending the Tech-Mech Committee meetings held, until that time, between the USPS and the APWU.

According to Mr. Devine, there was no "demonstrable proof" that the APWU had refused to allow the Mail Handlers to attend these meetings. "All I remember is that when, eventually, the Postal Service insisted that the Mail Handlers Union be there as well, the APWU was really rather upset about it, ..." Mr. Devine testified that he thought the Mail Handlers started attending these meetings before 2016. [The attorney for the Mail Handlers, Mr. Lerner, represented that the Mail Handlers had not attended in 2011 a Tech-Mech Committee meeting jointly held with the APWU at which the power point presentation by the USPS on the AFCS had been made. Mr. Lerner represented that the joint committee happened during the negotiations in 2016, between the Mail Handlers and the USPS, at which Mr. Devine served as the chief spokesperson and insisted that the Tech-Mech Committee meetings be held jointly between the APWU and the Mail Handlers.]

Letter Regarding the Site Visit
Dated July 11, 2012

Mr. Devine testified, on cross-examination by APWU, with regard to the USPS's letter, dated July 11, 2012, which was sent to each Union following the site visit to observe the operation of the AFCS 200, that the letter indicated the individuals who had participated in the site visit, including Ricky Dean and Jacqueline Adona for the USPS. Mr. Devine stated that, in his opinion, the USPS did not deny the Mail Handlers any information about the AFCS 200 and its operation. Mr. Devine that the USPS had not received from the Mail Hanlders after the site visit and after the issuance of the Determination letter, any complaint that changes in the machine had not been explained to it or shared with it. Mr. Devine added that the USPS did not receive a request from the Mail Handlers for additional information.

Re: September 28, 2012 Craft
Determination Letters on the
Legacy AFCS

Mr. Devine testified as follows, on cross-examination by the Mail Handlers, concerning the September 28, 2012, Craft Determination Letter on the Legacy AFCS machines which had been sent to each Union. Mr. Devine agreed that, in this Craft Determination letter, it acknowledges that

the existing AFCS or legacy is a high-speed machine that culls, faces and cancels letter mail through a series of automated operations. Mr. Devine agreed, conditionally, that the function of culling mail appropriately could be assigned to the Mail Handler craft, as well as the functions of facing mail and canceling letters. Mr. Devine agreed that the letter indicated that the legacy AFCS machines recognize postage stamps, facing identification marks, FIMs, and metered indicia. Mr. Devine agreed that the letter mentioned several components of the legacy machine, including the overthink culler which separates letter mail by size, but added that separating letter mail ". . . is not always - - not always separated by mail handler, but it could be. It was apparently on the AFCS legacy, yes." Mr. Devine also agreed that it was part of mail preparation under "010". Mr. Devine agreed that the other components of the legacy AFCS, including edger feeder, flat extractor, fine cull unit, facer canceller, are all parts of mail preparation. Mr. Devine testified, with regard to the mention in the letter of a camera system which performs an image lift that, "An image lift is part of distribution, though."

Mr. Devine agreed, on cross-examination by the NPMHU, that an image lift is taking a picture of the address, or the stamp or indicia, and that that image was communicated - not to an Operator - but, rather, to a computer. Mr. Devine testified, with regard to whether the computer on the legacy did something to that image: "I'm not familiar enough with the legacy machine . . . to be able to say either way."

Mr. Devine agreed, on cross-examination by NPMHU, that the Determination letter stated, with regard to the AFCS 200, that the new machines will utilize the same equipment and perform the same functions as the legacy system, including culling, singulating, detecting doubles, and cancelling inkjet, while also adding new equipment which provides significant additional capabilities. Mr. Devine agreed that, to the extent that the AFCS 200 performed the same functions as the legacy machine, the USPS would have assigned the Operator position to the Mail Handlers as the Primary Craft. Mr. Devine agreed that the significant additional capabilities were determinative with regard to why the USPS instead assigned the Operator position to the APWU Clerks as the Primary Craft. Mr. Devine stated that the first bullet point in the Determination letter did not indicate that the function was the most important. He indicated that the most significant aspect was "the new reverter facing mail into a single orientation."

Mr. Devine agreed, on cross-examination by NPMHU, that the first sentence of the first bullet point in the Determination letter notes that the AFCS 200 can process thicker mail than can the legacy machine. Mr. Devine did not agree that, if this had been the only enhancement of the legacy machine on the AFCS 200, processing thicker mail, the USPS would not have changed the jurisdictional assignment. Mr. Devine stated, "I don't know if I would go that far, but I don't think that would be enough to substantiate the change in the craft determination. . . . it would certainly depend on how much mail had been going to the mechanized and manual operations."

Mr. Devine agreed, on cross-examination by NPMHU, that the RI-399 guidelines and contractual principles required that, in order for a craft determination to be made, there must be new work, newer consolidated facilities or an operational change. Mr. Devine agreed that the AFCS 200 did not present a situation which involved consolidated facilities. Mr. Devine stated, "I would say that it's definitely an operational change. . . . I don't think there's enough difference in the operator position on the legacy position versus the 200 to say that it's new work." Mr. Devine agreed that the USPS had asked the Unions whether they thought there was a reason to reconsider the jurisdictional determination on the legacy machines.

Mr. Devine agreed, on cross-examination by APWU, that the APWU's position had been that the AFCS 200 was now doing distribution. According to Mr. Devine, "Yeah. That's the gist of the input letter that we received from the APWU.

<u>Re: The Award of Arbitrator</u>
<u>Zumas Concerning the</u>
<u>"Replacement Principle"</u>

Mr. Devine agreed, on cross-examination by NPMHU, with regard to the RI=399 Arbitration Award of Arbitrator Zumas, that the question presented in that case involved the appropriate jurisdiction for the OCR mail process, that all of the Parties involved in that proceeding had agreed that that position involved "new work," and that Arbitrator Zumas had limited his decision to a "new position."

Mr. Devine, on cross-examination by NPMHU, with the assertion that the replacement principle to which Mr. Devine had referred in his direct

testimony and which had been cited in some Arbitration Awards, really focused on the issue of new work. Mr. Devine responded: "No. The replacement principle was pertaining to the fact that machines were performing distribution operations, and they hadn't been working - - performing the distribution function on this machine to that point, but the replacement was replacing clerks with the machine." Mr. Devine agreed that he had testified, that part of the rationale of the USPS's craft determination on the AFCS 200 in favor of the Clerks was that these machines could sort to greater depth. Mr. Devine agreed that, therefore, the result was that some work that may otherwise have been done by Clerks on subsequent handling machines may have decreased because of the AFCS 200. Mr. Devine agreed that that consideration was that because some of the work which had been performed by Clerks had been replaced, the Clerks should be assigned to the "resulting work" on the AFCS 200, rather than because it was "new work." Mr. Devine agreed that some Mail Handler jobs were abolished when the AFCS 200 replaced the legacy machines. Mr. Devine agreed that the Parties had stipulated that, recently, there were approximately 539 AFCS 200s in use. Mr. Devine testified that, at the time that the USPS's Craft Determination letter was drafted in September 2012, they did not have the advantage of the testimony, at the instant hearing, of Mr. Schimmel.

Effect on the Mail Handlers of the Determination in Favor of Clerks on the AFCS 200

Mr. Devine, on cross-examination by NPMHU, testified that he understood, when the USPS made the Craft Determination in September 2012, to assign Clerks to the Operator position on the AFCS 200, that this determination would require the USPS to abolish Mail Handler Craft positions on the legacy machines. Mr. Devine, asked whether he understood, from a Labor Relations point of view, that that decision would cause a considerable disruption in the Mail Handlers Craft, stated: "Well, I would respond to that assertion by pointing out that when we made the craft determination on the AFSM 100 and the corresponding ATHS enhancement on the AFSM 100 that we wound up adding mail handlers to the mix of staffing on that machine, thereby requiring the excessing of some clerk positions, so - -." Mr. Devine testified that he did not know how many Clerk positions had been excessed. He stated: ". . . There were about - - I believe it was about 500 machines, so - - and I think there was two

additional mail handlers put on that machine, which previous to the enhancement had been all clerks, . . .”

Testimony of Kelly Zindren, NPMHU
Re: Operation of the AFCS 200

Kelly Zindren, testified, on direct by NPMHU [see Ms Zindren’s testimony, above, with respect to the operation of the legacy machines], that the AFCS 200 was installed in the Harrisburg facility in November 2012. Ms. Zindren testified that she worked on the AFCS 200 in December 2012 when the installation had been completed and that she had been trained by the contractor employees who had installed the AFCS 200. She testified that the National Craft Determination in favor of the Clerks as Operators on the AFCS 200s, had been made in September 2012, but that determination took some time to implement. According to Ms. Zindren, the Clerk Craft employees in Harrisburg did not begin working on the AFCS 200 until January 2013.

Ms. Zindren testified, on cross-examination by APWU, that she had worked on the legacy machines in Harrisburg for five or six years and that, initially, the Harrisburg facility received five AFCS 200s in 2012. According to Ms. Zindren, when the fist AFCS 200 was installed, the “lost a legacy. Then, when another one was getting installed, we would lose another one. . . So when it was all said and done, when the five 200s came in, we still had like three legacies still there.” Ms. Zindren testified that initially, they installed two AFCS 200s, then they installed another two and then installed the last one. Ms. Zindren believed that the last one was installed in November 2012. She testified that she was part of the transition team that worked on the first AFCS 200 when it was installed.

Ms. Zindren testified, on cross-examination by APWU, that all letter mail is run through the AFCS 200s. Ms. Zindren testified, with regard to whether all of the mail is cancelled: “No. We - - the mail is - - it could be raw mail. It could be anything. It’s just what’s in the hampers or tubs or whatever that’s dumped onto the system. It could be meter mail.” Ms. Zindren testified, with regard to whether mail is cancelled, “. . . it all depends on how it’s brought into the distribution center.” She agreed that mail that does not have a stamp does not need to be cancelled, “. . . but it still sometimes goes through our system.”

Ms. Zindren: Training for the Operator Position On the AFCS 200 at Harrisburg

Ms. Zindren testified, on direct by NPMHU, that she was the on-the-job Instructor who trained the Clerks who started working on the AFCS 200, because she had been the on-the-job Instructor who had trained the other Mail Handlers who initially had worked on the new machines after they were installed in Harrisburg and until the Clerks were assigned to operate them. Ms. Zindren testified, with regard to when the legacy machines were removed from Harrisburg by the USPS: "I think we stopped using it probably 2019, but they just got done, you know, taking it out of our building." Ms. Zindren testified that she did not know what had happened to the Mail Handlers who had been Operators on the legacy machines when those machines were taken out of service.

Ms. Zindren testified, on direct by NPMHU, with regard to the operation of the AFCS 200:

> We do the same thing starting up to the machine [see above discussion of Ms. Zindren's testimony about operating the AFCS legacy]. The only thing different, it's like a newer version. It's like having like a - - like a typewriter like I'm a secretary, and you have like the old-fashioned typewriter, and now you have a computer that does the same thing. So it's just more updated machinery.
>
> * * *

Ms. Zindren: Training on the AFCS 200s

Ms. Zindren testified, on direct by NPMHU, that she was shown by the individuals who had installed the AFCS 200s how to operate the computer. According to Ms. Zindren:

> . . . With the new computer screen, they have like - - you pick a sort plan out of it, and it also shows, which was great for the mail handlers, where the jams were. In the old legacies, it - - you had a

little red lights around the machine, so when there was a jam, a light - - a red light will show up on the machine.

With the . . . AFCS 200, you were able to look up at the screen and be notified exactly where the jam was.

* * *

Ms. Zindren testified, on direct by NPMHU, that the training she had received from the installers when the AFCS 200s initially had been installed was "[n]ot long. . . . I think they were with me for a whole week, just to make sure if I had any questions." Ms. Zindren testified that the training she gave to the Clerks, when they first were assigned to the AFCS 200s, was for about three days.

It depended on the person, to be honest with you, but mostly three days. I mean, it's - - it's not a hard concept of - - to learn. And if you had questions, there was always - - we're right next to each other, so if someone had a question, they could always ask someone next to them. So we kind of worked as a team and - - and processed the mail. . . .

* * *

Ms. Zindren explained that the employee whom the Clerk could ask when that Clerk had a question also was a Clerk. Ms. Zindren added, "And in our facility, we still ran the legacy, and we ran the - - the 200. So sometimes, if I was running the legacy, they would come over [to her] . . or they would ask the maintenance people, too. They kind of knew certain things." Ms. Zindren

Ms. Zindren testified, on direct by NPMHU, about the handling of rejects or bypass mail on the AFCS 200:

Yes. With the newer version, they had a belt right underneath the reject. So instead of the mail handlers going around when the bucket was full and walk it over and dump it onto a belt, the belt was already attached to it. So the mail would fall - - come out and land

> exactly onto the belt, and then the belt would take it away. . . . It would go to a culling section where mail handlers divide the mail or to the flat section where the mail handlers would face the mail up for the flat - - flat machines.
>
> * * *

Ms. Zindren: Operator's Work
on the AFCS 200s

Ms. Zindren testified, on direct by NPMHU, with regard to the operation of the AFCS 200:

> We do the same thing starting up to the machine [see above discussion of Ms. Zindren's testimony about operating the AFCS legacy]. The only thing different, it's like a newer version. It's like having like a - - like a typewriter like I'm a secretary, and you have like the old-fashioned typewriter, and now you have a computer that does the same thing. So it's just more updated machinery.
>
> * * *

Ms, Zindren: Operator's Work
on the AFCS 200At - Feeder Station

Ms. Zindren testified, on direct by NPMHU, with regard to the work she performed as the Operator on the AFCS 200 at the feeder station, that, "[w]hen we start, we're always at the feeder, right at - - by the computer, right at the feeder." Ms. Zindren testified, with regard to whether they had any responsibility fo the mail being fed to the feeder:

> Yes. We make sure that it's organized. Not everything comes up perfect. It sometimes tilts upwards. We make sure it's flat, straight. We make sure the flat pieces get out.
>
> A lot of times, people mail their plates, license plates. We make sure that gets taken out. Unfortunately, grandparents still want to

> send money or lollypops through the mail, so they might get through the first or second rollers, but then we try to make sure we kind of look through it, sort it, you know, to make sure there's nothing coming through the machines.
>
> * * *

Ms. Zindren testified, on cross-examination by USPS, with regard to the sort plan on the AFCS 200s, that:

> . . . There were only like, at the time when they first put it in, like three sort plans to pick, but we - - there was only one that work work for the - - for the AFCS 200. I don't know why - - what the other two sort plans were because they were never used.
>
> * * *

Ms Zindren testified, on cross-examination by USPS, with respect to the sort plan for the legacy machine that it was preset.

<u>Ms. Zindren: Operator's Work on the AFCS 200 - Stackers</u>

Ms. Zindren, on direct by NPMHU, testified that, during the operation of the AFCS 200, she was located near the stackers, which had 12 stackers, as compared with the six stackers on the legacy machine, plus a reject. Ms. Zindren testified, with regard to the impact on the operation of the additional stackers:

> It made it easier for us when there was 12. The stackers didn't get full quickly. It gave us a little bit more time.
>
> The AFCS 200 was a lot easier than running the legacy. You didn't have to worry about the reject, the bucket. You didn't have to worry about the stackers filling up quickly. It's - - it just - - it did catch a lot more of the thick - - I mean, it did run thick mail, but it did

> process more of it out than the legacy. . . . [It was able to] determine what you could - - what mail could be - - go through the system better.
>
> * * *

Ms. Zindren testified, on direct by NPMHU, with regard to what were the duties of the Operator by the stackers on the AFCS 200:

> We are just sweeping mail from the stackers into a tray, make sure it's done neatly, and then we take the tray when it's full, and then we have - - I mean, some people call it pie carts, some people, APCs, air max (ph). We just put them into that container.
>
> * * *

Ms. Zindren testified, on direct by NPMHU, with respect to whether the video of the operation of the AFCS 200 accurately portrayed the operation by the stacker: ". . . I didn't - - no. I saw it up to where the operator swept the mail over, but I didn't see the - - the operator putting the mail into a container."

Ms. Zindren testified, on direct by NPMHU, with respect to so-called "flip mail":

> Yes. The flip mail comes from the reject - - reject stacker, and what we do is we take that reject mail and we - - we call it flip-flop. So what we do is we make sure it's face up. We look at it to see what's wrong with it. It it's postage due - - if it doesn't have a stamp, it goes to postage due. We kind of divide it up. ZIf it has a line across it because either someone moved and wrong address, you know, people put a line across it and it can't be read, so it goes to the 030 cases, and that's where clerks manually put the mail - - letters into their destination. Or it could be torn, damaged.
>
> * * *

<u>Ms. Zindren: Labeling Trays</u>

Ms. Zindren, on cross-examination by USPS, with regard to the Operator making labels on the legacy and/or on the AFCS 200, testified: "It was the same labeling as the - - as the legacy, like we had 891, like local, outgoing, the FIM mail. So it was still the same labels." Ms. Zindren testified that the Operator adhered the labels to the trays on both the legacy and on the AFCS 200.

Testimony of Cindy Randolph, APWU
Re: Operation of the AFCS 200

Cindy Randolph testified, on direct examination by APWU, that she is employed at the P & DC Plant in Des Moines, Iowa, as a Mail Processing Clerk on the AFCS 200. She testified that she has worked on the AFCS 200 for about 12 years, since around 2012 to 2013. They have three AFCS 200s which only run on Tour 3, "[s]o we start running about four o'clock in the afternoon." There is one Mail Processing Clerk for each of the three machines. Ms. Randolph testified that, before working on the AFCS 200, she worked on the Flat Sorter, and she has worked in Manual Letters and Manual Flats, she has been a Training Technician and she has worked on DBCSs. According to Ms. Randolph, with regard to whether she had received any training when the AFCS 200 was installed: "Our supervisor gave us a - - probably a two-minute tutorial on how to start the machine and where a couple of key locations are on the machine. Other than that, we learned everything from the maintenance men. . . . I think it would be a mechanic or an ET."

Ms. Randolph testified, on cross-examination by NPMHU, that she did not know how long before she got the bid and began working on the AFCS 200 that they had been installed in the Des Moines P&DC. Ms. Randolph testified that she had replaced a Mail Handler and was aware that, for some period, Mail Handlers had operated the AFCS 200s. She did not "hear any stories that the mail handlers weren't capable of working the machine". Ms. Randolph testified that she works a regular 40-hour schedule, currently on Tour 3, Monday through Friday, 3:00 p.m. to 11:30 p.m. Ms. Randolph testified, with regard to whether she changes the sort plan, that "I don't change the sort plan. We do an end of the run at the end of the night, and then when we start up the next day, we . . . we start the same - - the sort plan again. . . . [e]xcept for - - after our normal run, we end that run, and then we start a different sort plan to run the rejects on." Ms. Randolph

testified that, basically, that was true for the eight years that she has operated the AFCS 200. Ms. Randolph agreed that, although she had testified that, when the stackers are full and the mail has been placed in trays, the movement of the trays of mail, was "distribution" of mail to other machines, it is correct to refer to that as "transportation of mail."

Ms. Randolph testified, with regard to whether she had had any prior experience that helped her on the efficient operation of the AFCS 200: ". . . I think that - - I spent a lot of time on a DBCS many years ago, and so I think that gives you a certain comfort level of - - on how to sweep properly, how the rhythm of the mail flows, you know, where to put the trays, how to clear jams on the machines, because you do that on both machines. So - - so when I - - I had never worked on AFCS and wasn't familiar with it, so when I got to the AFCS, it's like, ob, well, I know what I'm doing because it's - - it's so similar to the DBCS," Ms. Randolph noted that the DBCS has more stackers than the AFCS 200 and that they are "stacked four hight as opposed to just two levels with the AFCS. The action is exactly the same, . . . pulling mail from the full stackers and moving it into a letter tray." Ms. Randolph testified that clearing jams on both machines was "pretty similar, too. They - - they have red lights that tell you where the jams are and - - but on the AFCS, there's also - - it's on the monitor as well. It shows you a diagram of exactly where it's at. So rather than having to look for a light, you can look at the screen and see where the jam is and find it easier. But - - but my time on the DBCS made it easier to - - to look for a jam and find it on the AFCSs."

Ms. Randolph testified that they had sort plans on the DBCS with similar responsibilities.

According to Ms. Randolph, on direct:

> Well, I work on the AFCSs [200], and we - - we process all the mail that comes into the system, you know, from - - they come from the blue boxes around the town, surrounding towns. It comes into the AFCSs, and then the mail gets distributed to the DBCSs from us.
>
> * * *
>
> . . . What it [the AFCS 200] does is it faces the mail. It cancels the mail. It puts an ID tag on it and it sprays a bar code on it, all before it

sends it to the appropriate stacker to be sent to the DBCSs for more processing.

* * *

Ms. Randolph testified, on direct, with regard to the role played by the AFCS 200 in the processing of mail, ". . . I believe it's the - - the first step in distribution because it - - it breaks it down to the appropriate places and then - - then the DBCS breaks it down again." Ms. Randolph added:

> We also have two stackers that instead of going to the DBCS, they just . . . once the mail gets to these stackers and we're done at the end of the night, this goes straight to the truck terminal. It gets dispatched right away is what I should say. So it goes out the very same day, if that makes sense.

* * *

Ms. Randolph, on direct, clarified that there are 12 stackers on the AFCS 200. Ms. Randolph testified with regard to her duties as an Operator on the AFCS 200:

> When I get to my machine, what we do is we make sure we have enough letter trays for the night, so they're all stacked nicely. We start the program or start the run, and then we make labels and then label up the trays at that point.
>
> When there is enough mail in the system, we start the machine up, the AFCS, and it starts processing the letters through the . . . through the machine.
>
> When the stackers get full, we sweep the mail, which means, you know, we take the mail from the full stackers and put them into the trays just a couple of feet away.
>
> When the trays get full, then we put them in the proper equipment to be distributed to the DBCSs.

* * *

Ms. Randolph testified, on direct, with regard to the DBCS: ". . . they process mail up there in automation on them, and they also spray bar codes. They - - they separate the mail. They - - they get swept in the - - in the same fashion as the AFCSs."

Ms. Randolph testified, on direct, that "[w]e do put in the sort plan." She testified that the Mail Processing Clerk puts in the sort plan without assistance by a supervisor.

Ms. Randolph testified, on direct, with regard to "sweeping":

> . . . Like I said, . . . when the mail comes through the AFCS, it goes to the appropriate stacker, and there's 12 stackers. When they fill up or get, you know, half full, you - - you take the handful and you - - you relocate it to a tray which is, you know, across the aisle a couple feet, and it would be a letter tray. And then when that tray gets full, then you put it in the proper equipment to be, you know, reran somewhere else.

* * *

Ms. Randolph testified, on direct, that the most of the trays go to the DBCS. She stated, "One of them is . . . a reject stacker, and then that would get reran at the end of the night on a different program on the AFCS." Ms. Randolph testified regarding how the mail is loaded onto the AFCS 200: "It is . . . dumped onto the Barney system by - - by the mail handlers. So through . . . hampers and so forth, it gets dumped into the system. The Barney system sends it into the AFCS system."

Testimony of Michael Burns, APWU

Michael Burns testified, on direct examination by APWU, that currently he is a Mail Processing Equipment Mechanic, Clerk Craft, Maintenance, at Cedar Rapids, Iowa. Mr. Burns testified that he began with the USPS in April 1984 as a Rural Carrier Relief and as a Mail Handler

Casual, then worked as a Window Clerk, then became a Mail Handler in December 1987. Mr. Burns was a Mail Carrier for three months beginning in March 1991, then returned to the Mail Handler Craft. In 2009, he became a Group Leader Mail Handler. He worked on Tour 3 and led between 16 and 22 employees per shift. He handled the 010 and 020 operations, the AFCS cancellations and dock dispatches. He oversaw Mail Handlers in doing magazine prep and breakdown. In 2015, he transferred to his current position in the Clerk Maintenance Craft.

Mr. Burns testified, on cross-examination by NPMHU, that the AFCS 200s arrived at Cedar Rapids in August 2018. Mr. Burns testified that Clerks were assigned as Operators on the AFCS 200s and that Mail Handlers never worked on them as Operators. He testified that only Mail Handlers had been assigned as Operators on the legacy machines.

Mr. Burns testified, on direct by APWU, that, as a Group Leader at the time, he had worked on the legacy machines:

> . . . so my job was to make sure that we could keep a constant flow of mail, that the culling was - - was good, if the mail was clean, that we could ensure that the operators were busy at all times.
>
> And then at certain times, peak season, I would take and actually have - - give the - - the operators extra help, sweepers, and so we could pick up an extra possible 5,000 letters per - - on the throughput per machine is what I would do on that . . . .
>
> * * *

Mr. Burns testified, on direct by the APWU, that, subsequently, he performed preventative maintenance on the AFCS 200:

> . . . so I have a checklist that I print out every day and do the specific tasks on that machine.
>
> I have also done some operational maintenance, which is repair during a cracked run, when the operations are running, but for the

most part, my job has been PM maintenance, preventative maintenance.

* * *

Mr. Burns testified, on direct by APWU, with respect to the operation of the AFCS legacy machines:

. . . The legacy had a buffer feeder carriage on it, and the mail handler was stationed - - the mail handler operator was stationed - - the mail handler operator was a bid job, a level 5, they were stationed at that spot, and their job was to keep culling the mail to enhance the feeder buffer. It was - - it had a manual lever on it, but it was automatic. You could take it off of auto feed and push it back and keep the mail coming in, and was a good flow.

That probably absorbed 80 percent of your time as an operator on the AFCSs to keep that mail tight and try to get the maximum throughput that you could. And then you would go over - - if you would hear the lights coming on the seven stackers you would go over and sweep the stackers off of there, but that - - you didn't spend much time over there. Your position - - you were domiciled at the feeder station.

* * *

Mr. Burns testified, on direct by APWU, with respect to the operation of the AFCS 200s:

Well, the buffer feeder, the carriage is gone. It's been designed out, so that auto feeder position of it is enclosed. It's not even accessible now. So it's kind of like, the legacy and the 200, the operator responsibilities have kind of flipped.

So now you're basically stationed - - the operator now is stationed at the stacker module, and your primary job is spring - - is sweeping those bins into the - - the tray cart, because you do not

want that bin getting past 75 percent full on a 200, because that will slow the throughput of the machine down.

So what we're really working at is trying to - - as a mechanic, I'm trying to increase throughput, lessen at-risk mail and lessen jams. And that brings up the quality of the machine, and that is what I'm trying to do.

That's what the clerk is also trying to do by not getting full bins, by hitting the emergency stops, because that will stop the machine. The computer drops as many as 25 to 52 letters, and they will go into the reject bin, so - - and that increases our at risk. So what we're trying to do is - - is really bring the quality of the machine to a higher level.

* * *

There's two GEUs (sic) on the machine. One is at the - - at the manual feeder station, and the other one is the [sic] located at the stacker module so that the clerk can see - - can look at the footprint on the - - on the GEU. There's a program called the footprint screen, and then that will show with an X on that module as to where that jam, should one arise, is at, so they'll know immediately where to go to clean that jam up. So - - so this is part of the - - the improvement on the 200 is to have that GEU over that while the clerk is sweeping the mail stacker module.

* * *

Mr. Burns stated, on direct by APWU, that feature of the AFCS 200 was not part of the legacy machine. Mr. Burns testified, with regard to the Operator's station on the legacy machine as compared with the Operator's station on the AFCS 200, for the most part:

. . . Well, it went over to the stacker module now. I mean, it's just gone to the other side. It's kind of like the two machines reversed responsibilities. It's like the mail handler operator was at that manual feeder carriage grooming that mail, culling it the entire time to keep up that throughput rate.

Whereas, now, that operator is domiciled at the stacker module, and that individual is making sure that those bins are swept to keep from hitting the 75 percent, which would slow - - that 75 percent slow bin, which would slow down the machine. So the responsibility has changed somewhat.

* * *

Mr. Burns testified, on direct by APWU, with regard to comparison technology and equipment on the legacy versus the AFCS 200:

. . . The two machines are not the - - they are not the same machine.

* * *

Well, because you - - you look at the machine and they look similar, but when you open the hoods, they're not. They're - - the technology is so much more advanced. They're a superior machine. You have the channel gates, standing light barriers. The - - the machine is - - it requires so much less maintenance and is so much more gentle on the mail that it doesn't intercept the mail. It diverts the mail, which brings down the jams.

The - - the switchbacks are pure genius. That is quite an innovation to take that letter in a nanosecond, pull it in, pull it back out and then invert it, and it really is quite - - quite impressive. So there is a huge difference.

* * *

Mr. Burns agreed, on direct by APWU, that the AFCS 200 has a "distribution function":

Well, on the - - on the stacker module, we have - - the machine does all its business. It handles all the - - the OSS, the ISS, the - - the OCR [sic, RCR]. It handles all of that. But when it's done sorting the mail, three of our bins in Cedar Rapids, Iowa, are ready - - they've

been distributed and they're ready for dispatch. So the clerk sweeps those bins. It goes into a tray.

In our facility, the mail - - the clerk puts a loaded tray in the cart, and the mail handler just comes up and takes the AFC, the transport, you know, and they put an MTEL placard on it, and they dispatch it on a truck. So that's entirely different than what the - - the legacies had. They did not have that option. . . . It's gone. As soon as we get it done, it's out the door.

* * *

Mr. Burns testified, on cross by NPMHU, that he does not have any expertise with regard to the location of the OSS, ISS and the RCRs. He testified that he assists the ETs with that work. Mr. Burns testified that they are located in another large room with computers.

Mr. Burns, asked on direct by APWU whether he agreed with other testimony which asserted that the legacy and the AFCS 200 essentially were the same machine, responded:

No, I don't. The legacy is a completely different machine. It - - it faces and cancels, but from that point forward, the cameras are different. The - - the cancellers are different. We just did an upgrade to a 256 model of canceller. So it functions - - it puts out a beautiful cancellation, more like an inkjet printer versus a canceller. So it does - - it does an excellent job. And we just - - we were one of the last in the country to get that, so - - to get that upgrade. So my knowledge is that the cancellers don't even. - - aren't even the same as the - - as the legacies to the 200s. They are completely different now.

* * *

Mr Burns testified, on direct by APWU, about the suggestion of not using all the capabilities that the 200 can do, that you just could skip over using them:

No. No. They - - we don't - - we do not have that capability to shut the - - to shut that off. We don't have the authority nor the capability.

We are directed on what to do on the machine. So say the - - say the clerk comes in and they're ready to - - we run our test deck. We do our preventative maintenance. We run our test deck. When we leave the machine, the load program - - the program to load is already - - we put it there. So all the clerk does is they come in and they click on 00 - - 004, and that's their run program. And so there's not a whole lot of responsibility to it. It's there. They just click on it and on it comes.

Now, after the run, as Ms. - - Ms. Randolph said - - she is correct. They do an end run, which stops the machine and - - on the program, stops the program, and then they go to - - they go to the run mode selection, and then they go to a - - it is reject processing, and it's a 007 program. And on the 007 program, they run their rejects. And then at that point, they hit end run also again, and the machine is stopped. And it's important that they do that; otherwise, the BDS, the BIO Detection System, stays alive and burns cartridges throughout the night. So it's imperative that they do the end run.

* * *

Mr. Burns agreed, on direct by APWU, that there was no way to shut off any of the capabilities of the 200 and just run it as a canceller. Mr. Burns testified that, in order to see the equipment changes between the legacy and the AFCS 200: "You've got to pop the hood. You've got to look underneath the hood and see and what we've got in there. . . . They . . . Siemens did a fantastic job of keeping that machine in the same - - the same footprint, the same color code, but when you look at the machine, if you have any technical knowledge at all, you know it's a different machine."

Mr. Burns testified, on direct by APWU, with regard to whether the Operator position on the legacy is the same as the Operator position on the AFCS 200:

Oh, no it's not the same job. It changed a lot. It changed a lot. It's just the complete opposite. It's the polar opposite of what it was. Instead of being at the feeder station and grooming that mail, you are now over at the sweeping - - at the stacker module sweeping. That's your - - that's your main responsibility is to sweep that machine.

* * *

Mr. Burns testified, on direct by APWU, with regard to whether the work on the front end of the AFCS 200 was "designed out":

Yes, it did. It enclosed the auto feeder. So the video that we saw is a little misleading, because you see the - - you see the individual standing at the feeder.

And I - - I think Mr. Lerner's right. That's a kind of a Siemans promotional video, where they're - - because you've got this function that you can do and - - but the real - - the real work for the 200s is not there. It's - - it's at the stacker module.

* * *

USPS Publication 32, Glossary of Terms
Dated July 2013

The USPS Publication 32, Glossary of Terms, dated July 2013, sets forth, at page 11, the following Definitions (as relevant):

Advanced Facer Canceler System 200:
AFCS 200

A major upgrade to the Advanced Facer Canceler System with Optical Character Reader (AFCS/OCR) that retains all of the functionality of the AFCS/OCR and adds image-based indicia detection, a switchback module that switches trail-oriented mail to lead orientation, a POSTNET barcode printer, and a two-tier 12-bin stacker module. The AFCS 200 faces and cancels mail, reads barcodes on prebarcoded mail, and identifies by OCR and prints a POSTNET barcode on mail

that is not already barcoded. Most mail from an AFCS 200 can bypass the Delivery Bar Code Sorter/Output Subsystem (DBCS/OSS) and flow directly to a DBCS.

Advanced Facer Canceler System with Optical Character Reader: AFCS/OCR

A machine with many components that culls, faces, and cancels through a series of automated operations First-Class Mail letter-size pieces received primarily from collection mail. The machine first culls or removes pieces that are too thick, too stiff, too long, or too tall. It then reads the indicia area to edge, face, and cancel the remaining letter mainstream and sorts the letters into one of seven stackers (six accept stackers and one bypass (reject) stacker. Two of the accept stackers (lead and trail) are for facing identification mark (FIM) mail, two are for mail local to the processing facility, and two are for outgoing mail. The FIM mail is taken from the AFCS/OCR directly to a delivery bar code sorter (DBCS). The local and outgoing mail is taken to a DBCS to have the POSTNET barcode printed and for further sorting.

* * *

RI-399 Principles and Prior Jurisdictional Dispute Arbitration Awards

The Arbitrator, in two previous Jurisdictional Dispute Arbitration Opinions and Awards (cited and discussed discussed briefly below), discussed in detail the applicable considerations regarding the RI-399 Principles and previous relevant Jurisdictional Dispute Arbitration Awards, including the Opinion and Award by Arbitrators Zumas and Eischen (cited and discussed briefly below), regarding the "distribution function" for Primary Craft determination purposes. The Arbitrator hereby incorporates by reference the extensive discussion of these matters concerning the "distribution function" set forth in the Sharnoff Opinions cited below. The following summarizes these discussions.

RI-399 Guidelines

The USPS issued Regional Instruction No. 399 - Mail Processing Work Assignment Guidelines [RI - 399 herein] on February 16, 1979. These Guidelines periodically have been revised, including on August 30, 1984, and, the most recent revision, in 2019. As relevant, the RI-399 Guidelines set forth: "primary craft designations relative to the performance of specific mail processing work functions." The Arbitrator notes that RI-399 Implementation Criteria, at II.A, Efficient and Effective Operation, states, in relevant part: "All actions taken relative to implementation of these guidelines must be consistent with an efficient and effective operation." RI-399 also states, in relevant part, at II:

> C. Distribution Activities
>
> Where the functions of obtaining empty equipment, obtaining unprocessed mail, loading ledges and sweeping are an integral part of the distribution function and cannot be efficiently separated, the entire operation will be assigned to the primary craft performing the distribution function.
>
> D, Changes in Duty Assignments
>
> No employee's current duty assignment will be modified by removing functions designated to another primary craft until and unless such duty assignment becomes vacant through attrition. In addition, management may continue to revert or abolish positions no longer needed.
>
> E. Assignment of New and/or Additional Work
>
> Assignment of new or additional work, not previously existing in the installation, shall be made in accordance with the primary craft designations contained in this instruction.
>
> * * *

The Arbitrator notes that the RI-399 Guidelines set forth the primary craft designations, in the section Post Office - Primary Craft Designations, which identifies each covered operation, with a list of the functions and the

designated primary craft. Among the Operations found relevant, with the listed functions and craft designations, are the following:

010 Originating Mail Preparation

Functions and Craft Designations:

Mail Handlers: 1. Transporting empty equipment; 2. Obtaining mail (courtesy. Windows, drop units, staging areas; 3. Open and dump sacks or other containers; 4. Cull (separate mail by type, and make basic local/out of town splits into trays, hampers, conveyors, etc.) Distribution to cases or sack.pouch racks will be assigned in accordance with the appropriate distribution operation.; 5, Tray loose metered mail, etc.; 6. Face and cancel letters on the facer canceler (Mark II or equivalent); 7. Cancel letters on Mark II that were rejected on first pass; 8. Hand cancel, cancel with model G or other device; 9. Tray canceled mail for distribution operations; 11. Repair damaged letters; 12. Examine sacks for mail content; 14. Back stamping of missent mail.

Clerks: 10. Rate and cancel short paid mail; 13. Identifying and reporting, as appropriate, mail not meeting postal regulations.

* * *

020 Originating Meter Mail Preparation

Functions and Craft Designations:

Mail Handlers: 1. Transporting empty equipment; 2. Prepare originating metered, permit imprint, and official penalty mail received from collection routes, lobby drop, dock, slides, chutes, conveyors, and other sources for distribution; 3. Trying letters and separating mail by type into different containers, separating by local and out of town.

Clerks: 4. Reporting mail with incorrect meter dates and rating short paid mail; 5. Identification and handling of presorted and riffle mail.

* * *

080-087 MPLSM Machine distribution of all classes of letters
Distribution

Clerks: Machine distribution of all classes of letters
Note: Allied labor required is normally performed by clerks because of the rotation system employed

* * *

088-089 Optical
Character Reader
Distribution

Clerks: OCR machine distribution of all classes of letter mail.
Note: See 080-087 note.

* * *

090-098 SPLSM
Distribution

Clerk: Machine distribution of all classes of letters.
Note: See 080-087 note.

* * *

175 Incoming
Flat Secondary

Mail Handlers: 1. *Transporting empty equipment; 2. *Obtaining flats from staging areas; 3 *Loading ledges; 5. *Sweeping; 6. Containerizing and transporting mail to dispatch area; 9. *Pulling and transporting pouches and/or other containers.

Clerks: 7. Distribution of NIXIE mail; 8. Identifying and reporting, as appropriate, mail not meeting postal regulations.

* * *

USPS Publication 32, Glossary of Terms
Dated July 2013

The USPS Publication 32, Glossary of Terms, dated July 2013, sets forth, at page 11, the following Definitions (as relevant):

> Advanced Facer Canceler System with Optical Character Reader: AFCS/OCR
>
> A machine with many components that culls, faces, and cancels through a series of automated operations First-Class Mail letter-size pieces received primarily from collection mail. The machine first culls or removes pieces that are too thick, too stiff, too long, or too tall. It then reads the indicia area to edge, face, and cancel the remaining letter mainstream and sorts the letters into one of seven stackers (six accept stackers and one bypass (reject) stacker. Two of the accept stackers (lead and trail) are for facing identification mark (FIM) mail, two are for mail local to the processing facility, and two are for outgoing mail. The FIM mail is taken from the AFCS/OCR directly to a delivery bar code sorter (DBCS). The local and outgoing mail is taken to a DBCS to have the POSTNET barcode printed and for further sorting.

* * *

AFCS/ISS Operating System
Guidelines - Handbook PO-424
Dated August 1989

The AFCS/ISS Operating System Guidelines, Handbook PO-424, August 1989, states, in relevant part:

> 1-2 General Description
>
> The AFCS/ISS is an electro-mechanical mail-handling system that uses the latest Optical Character Recognition (OCR) technology to rapidly cull, position (face), cancel, print ID Tags on certain types of mailpieces, verify printed ID Tags, scan the tailpiece address, store

and transfer mailpiece images from the Image Management System (IMS) portion of the AFCS/ISS to the Image Processing Subsystem (IPSS), and sort standard-size mailpieces.

The AFCS/ISS consists of 15 major equipment units. They are numbered in sequence according to the mallow, beginning with the Input Hopper (Unit 1), and concluding with Stacker #2 (Unit 15). . . .

Microprocessor technology is used in the AFCS/ISS. The machine is modular in concept and can be thought of as two separate machines. A Culler and a Facer/Culler. The AFCS/ISS can also upload status information through the Data Collection Computer (DCC). Additional features include ink jet printers, which print ID Tags on certain types of mailpieces, electronic verifiers, which verify the printed ID Tags are correct and readable, scanners, which capture an image of the tailpiece, and Indicia Detectors which can recognize all types of indicia including seven types of Facing Identification Marks (FIM). Additionally the Image Management System (IMS) provides the capability to send images to the IPSS. Because the AFCS/ISS improves on many field-proven concepts used in other systems, there may be similarities between the AFCS/ISS and other systems used in the field, such as multiline OCRs (MLOCR/ISS).

The AFCS/ISS can be looked at as two separate machines in one, as shown in Figure 1-1. The first section of the AFCS/ISS is the Culler Section, which operates to rough-cull mailpieces and prepare them for the Facer/Canceler section. The Culler Section also removes from the system flats and mailpieces that are too thick so that they can be manually processed.

* * *

The second section of the AFCS/ISS is the Facer/Canceler Section, which is designed to identify indicia, face, cancel, print ID Tags, verify ID tags, scan and transfer images of mailpieces, and sort mailpieces to the proper bin. . . .

* * *

The Facer/Canceler Section of the AFCS/ISS is used to properly face (position) mailpieces, identify the type of indicia on mail-pieces, and cancel mailpieces. In addition, an ID Tag is printed on certain types of mailpieces, the ID Tag is verified, images are taken of the tailpiece, the type of

mailpieces (imprint, script, or no line) are determined, tailpiece images are temporarily stored and then sent to the IPSS upon request, and the mailpieces are sorted.

After leaving Unit 10 (Buffer/Feeder), mailpieces pass through the Leveler (Unit 11) so that they can be properly oriented before entering a Fine Cull module (Unit 12), which checks mailpieces gap (80mm minimum), mailpiece skew, and mailpiece size. Additionally, mailpieces that are too stiff and mailpieces that do not conform to height [sic] or length standards are ejected out of the mail stream at this point for manual processing. Mailpieces then move to the Enricher (Unit 13), where they are examined by two sets of indicia detectors cancelled, and positioned for ID Tag Printers. After being examined by the first set of indicia detectors, the mailpiece is then properly positioned (indicia down) for the second set of indicia detectors. Mail then passes through the canceler, where the indicia is canceled. Next an inverter turns all mailpieces upright (indicia up) for the ID Tag Printers. An ID Tag is printed on the back lower side of certain types of mailpieces and is electronically verified that is correct and readable. Mailpieces are also sorted in Unit 13 for distribution to Units 14 and 15.

In the last process of Unit 13, each mailpiece is scanned and an image of the mailpiece is temporarily stored. The stored mailpiece images are then transferred to the IPSS for further processing.

Based on the sort criteria and mode of operation selected on the Operator Control Panel, mailpieces are distributed to the Stacker (Units 14 and 15),. Mailpieces sorted to Bins 1-6 are sent on for further automated processing. Mailpieces that are rejected to Bin 7 are sent on for manual processing.

The AFCS/ISS is designed to be operated by only one operator. No more than one operator should be assigned per machine at any time.

* * *

2-4 RBCS Description

2-4.2 Remote Bar Coding System (RBCS)

The RBCS merges electronic image capture and storage with state-of-the-art software programs that are designed to read machine and script

mailpiece addresses and determine the appropriate POSTNET Code (barcode) for each specific address. The RCBS was designed to further automate the mail handling process, reduce the length of time it takes to process mail, and make effective use of existing equipment.

* * *

With the addition of the ISS to the AFCS, the mailpieces that normally would have gone from an AFCS to an OCR (imprinting FIM or FIM C) no longer have to make the intermediate processing stop. Mailpieces that normally would have gone from an AFCS to an LSM (script/handwritten) and then processed by hand no longer have to be hand processed. The AFCS/ISS now takes the images of these types of mailpieces and makes those images available to the IPSS just like the OCR/ISS does. These mailpieces will now go to staging at the OSS.

2-4.3. Input Subsystem (ISS)

The ISS consists of modified AFCSs and multiline OCRs (MLOCRs). These machines have been upgraded with devices to print and verify ID Tags, in the form of a barcode, on the backside of mailpieces. These ID Tags are used to track individual mailpieces and images as they are processed throughout the RBCS. Also, the machines used as ISSs have been equipped to capture images of mailpieces and to store and transfer images electronically to the IPSS/P&DC.

* * *

PRIOR JURISDICTIONAL ARBITRATION AWARDS

The Arbitrator, for reasons discussed herein, finds that the 1995 craft determination by the USPS of the Operator duties on the AFCS Legacy machine to the Mail Handlers as the Primary Craft, was appropriate, insofar as the determination is found to have been based reasonably on the information then available to the USPS officials regarding the technical capabilities and functions of those machines and the duties required of the Operator thereon. The USPS officials reasonably concluded, based on that information, that the duties required of the Operator involved culling and facing the mail, to enable it to advance properly into the legacy machine,

rather than distribution, which to a great extent was performed on other machines.

United States Postal Service and National Post Office Mail Handlers and American Postal Workers Union, Case No. HIM-NA-C 14, dated July 14, 1986, Arbitrator Nicholas Zumas

Arbitrator Nicholas Zumas, in his Opinion, in United States Postal Service and National Post Office Mail Handlers and American Postal Workers Union, Case No. HIM-NA-C 14, dated July 14, 1986, as relevant, noted, at page 35, that the RI-399 Guidelines designated Clerks as the Primary Craft for all distribution functions and Mail Handlers as the Primary Craft for bulk mail handling, preparation and pre-distribution functions. Arbitrator Zumas noted, at page 36, also that the term "distribution" is defined in postal Handbooks as "Mail sorted by address into machine bins, pigeon hole cases, trays, sacks or pouches to group pieces with a common destination for transportation to the Post Office of address." The dispute before Arbitrator Zumas involved the claim by the NPMHU that the newly created position of Mail Processor using OCR/BCS technology should be assigned to the Mail Handler Craft. The NPMHU, in the case before Arbitrator Zumas argued that in light of the use of OCR technology, the machines, rather than employees, performed the actual distribution work that previously had been performed by Clerks. Arbitrator Zumas applied the principles of Article 1.5 of the National Agreement and RI-399 noted that RI 399 applies to work functions and not to job titles or job descriptions. The APWU argues that the introduction of the OCR/BCS technology did not change the fact that machine distribution of mail is a Clerk function. The Arbitrator finds that the holding in the Zumas Award supports the Arbitrator's finding herein that the USPS's determination to assign the work of "singulating"/"facing" and placing the parcel on the induction belt of the SPSS was reasonable and appropriately based on relevant considerations.

United States Postal. Service and American Postal Workers Union and National Postal Mail Handlers Union, Spreading the Mail to Carrier Case,

Case No. H7C-NA-C 32, Dated April 14, 1998, Arbitrator Dana Eischen

The Arbitrator notes that this Opinion and Award by Arbitrator Eischen involved an issue concerning the proper Craft determination for "Spreading the Mail to Carrier Cases." Arbitrator Eischen's Order states, in relevant part: "The Postal Service properly assigned the mail handler craft as the primary craft to spread mail to letter carrier cases when such mail has been previously identified and marked by carrier route numbers." Arbitrator Eischen concluded that the decision by the USPS fully was consistent with RI-399 *per se,* and that, if it were necessary to go beyond the confines of RI-399 to resolve a jurisdictional dispute under RI-399, "the logic and the mutual intent of the Parties support a conclusion that the appropriate principal jurisdictional standards to consider would be the six (6) criteria agreed upon by the Parties in the 1975 MOY establishing the Committee on Jurisdiction." Arbitrator Eischen noted that the six criteria continued to be part of the CBA of each of these Unions. The Arbitrator notes that, in the instant SPSS case, the six criteria were not discussed specifically by the USPS in explaining its determination regarding the "singulating"/"facing" work performed as part of the induction process on the SPSS machine.

United States Postal Service and National Postal Mail Handlers Union, AFL-CIO and American Postal Workers Union, AFL-CIO, Case No. Q90M-4Q-J 94021635, dated April 22, 2005, Arbitrator Joseph M. Sharnoff - Letter Mail Labeling Machine (LMLM)

The Arbitrator notes that, in the Letter Mail Labeling Machine case, this Arbitrator cited and agreed with the following statement made by Arbitrator Eischen in the above-cited Opinion and Award in the :

> [Arbitrator Eischen stated that] the 'general parameters for describing the types of Postal Service work performed by clerks and the types of Postal work performed by mail handlers are well established.' He stated that '[] transporting the mail (movement of mail from Point A to Point B") is a function primarily assigned to and performed by the mail handler craft.' He further stated, "Nor does anything in the record call into question the countervailing truism

that the functional duties and responsibilities of clerks primarily are described in terms of performing different types of distribution.

* * *

United States Postal Service and National Postal Mail Handlers Union, AFL-CIO and American Postal Workers Union, AFL-CIO, Cases Nos. K87C-1K-07702242 and H7C-NA-C 69, dated September 7, 2009, Arbitrator Joseph M. Sharnoff - Small Parcel and Bundle Sorter (SPBS)

The Arbitrator notes that the Opinion and Award in the SPBS case that the USPS, among other awards, properly assigned the duties of "5. Distribution of IPPs, newspapers, rolls, letter or flat bundles or slugs" and "6. Inserting labels." to Clerks, as the Primary Craft. The Arbitrator noted therein the reliance by the USPS on the RI-399 Operation 105 - Mechanized Parcel Sorter, "4. Distribution of parcel post through the use of parcel sorting machines.", to Clerks, as the Primary Craft. The assignment of the above distribution-type work to the Clerks on the SPBS was made in conjunction with the assignment to the Clerks performing those duties of the additional duties listed as No. "7. Pulling containers." and No. "8. Containerizing and transporting.", which were assigned to the Clerks for rotational purposes only. The Arbitrator also noted the reliance on RI-399 Operation 080-087, Multi-Position Letter Sorting Machine, "Machine distribution of all classes of letters.", which had a note, amended in June 1979, "Allied labor required is normally performed by clerks because of the rotation system employed." Also relied on was RI-399 O88-089, Optical Character Reader Distribution, "OCR machine distribution of all classes of letter mail.", with the revised note appended to Operation 080-087. Distinguished therein on were: Flat Sorting Machine (FSM 775) Guidelines, USPS Handbook PO-406, February 1984 and Flat Sorting Machine (FSM 881) Guidelines USPS Handbook PO-406, March 1993, on the grounds that the keying and sweeping/ledge loading in those operations were far more integrated than those at issue on the SPBS. The Arbitrator also discussed therein that the six factors are to be reviewed to determine the propriety of a Craft determination only to the extent that it is necessary to go beyond the confines of RI-399, as stated by Arbitrator Eischen [see above discussion].

THE ISSUES

The Arbitrator notes that the Parties agreed to the following issues to be resolved in this proceeding with regard to whether the following Craft Determinations by the USPS were proper under the RI-399 principles, the Parties' respective Collective Bargaining Agreements and relevant Arbitral authority:

1) The APWU''s challenge, filed in 1996, to the USPS's Craft Determination assignment, during the initial manning of the Operator position on the AFCS "legacy" machine, of a Craft Mail Handler or Mail Processing Machine Operator, represented by the NPMHU.

2) The NPMHU's challenge, filed on July 31, 2012, to the USPS's Craft Determination assignment of the Operator position on the revised AFCS 200 machine to the Clerk Craft, represented by the APWU.

If either, or both, of these violations are found to have been demonstrated by the respective Union which made such claim against the determination(s) by the USPS, what should be the remedy?

ISSUE I: AFCS LEGACY MACHINE
ARBITRATOR'S DISCUSSION

The Arbitrator notes, preliminarily, that the record does not contain certain of the relevant facts and/or documents, including: the date on which the USPS made its initial installation of the AFCS Legacy machine; the date and content of the USPS's proposed craft determinations for all of the positions on the Legacy machines in favor of the Mail Handler Craft represented by the NPMH and the USPS's reasons for these initial craft determinations; the respective responses of the APWU and the NPMHU to the USPS's proposed craft determinations. Nevertheless, the Arbitrator finds that there is no dispute that, in conjunction with the USPS's initial introduction of the AFCS Legacy machine, the USPS made a craft jurisdiction determination for the Operator position, and all other positions in favor of the Mail Handler Craft. The Arbitrator notes that the Parties, in this proceeding, stipulated to the following facts relevant to Issue I and to the disputes concerning the positions on the Legacy machines:

The Advanced Facer Canceller System or AFCS was introduced to the Postal Service's mail processing operation in the early 1990s.

Both the AFCS legacy and AFCS 200 perform both a facer/canceller function and a sortation/distribution function.

Both the AFCS legacy and AFCS 200 are run by a single operator.

For the AFCS legacy, the operator position is performed by a Mail Handler or a mail processing machine operator represented by the National Postal Mail Handlers Union.

Induction activities for both the AFCS legacy and AFCS 200 are performed by Mail Handlers.

* * *

The Arbitrator notes also that, pursuant to RI-399, Paragraph II(A): "All actions taken relative to implementation of these guidelines must be consistent with an efficient and effective operation."

In the Arbitrator's judgement, before the question appropriately can be addressed regarding the determination, under RI-399, of the proper craft jurisdiction for the Operator position on the AFCS Legacy machines, which was raised by the APWU in November 1996 following the USPS's introduction of the Input Subsystem {ISS) to the OCR, a preliminary question must be resolved. This preliminary matter involves an issue under RI-399, Section II.E. The Arbitrator finds that the first matter which must be resolved is whether the addition of the ISS equipment to the Legacy in 1995 constituted, under Section II.E, "the assignment of *new or additional work, not previously existing in the installation,*" with respect to the work performed by the Operator position. The Arbitrator finds that, the circumstances presented at the time of the APWU's claim involved an existing Operator position on an existing machine, which existing position had been assigned pursuant to a previous craft determination. In the Arbitrator's judgment, no new craft determination proceeding was required to be initiated by the USPS at the time that the APWU filed that claim unless, pursuant to RI-399, Section II.E, it could be demonstrated that the change in equipment at issue resulted in the "*assignment of new or additional work, not previously existing in the installation"* [emphasis

supplied]. The Arbitrator finds, accordingly, that the preliminary question which must be resolved is whether the USPS, following the equipment changes made to an existing and operating machine operated by an employee in a craft previously awarded in a craft determination proceeding was required, in accordance with the RI-399 Guides, to have conducted a craft determination proceeding to reconsider the initial assignment of the appropriate craft, the Mail Handlers, to perform the Operator position on the AFCS Legacy machine, as that machine had been changed or modified in 1995.

The Arbitrator, for the following reasons, is not persuaded that the APWU - as the Union challenging the existing craft determination for the Operator position on the AFCS Legacy machine in favor of the Mail Handler Craft - has met its burden of showing that the USPS's modification of some of the equipment on the Legacy machine in 1995, by the addition of the ISS to the OCR, constituted "new or additional work, not previously existing in the installation," insofar as the effect of those equipment changes on the work performed by the Operator position, within the meaning of RI-399, Section II.E. The Arbitrator finds, for the reasons discussed below, that the USPS was not required to have conducted a craft determination proceeding under the RI-399 Guidelines for the Operator position based on the 1995 equipment changes.

As noted, the initial craft determination for the Operator position in favor of the Mail Handler Craft, had been made by the USPS sometime in the early 1990s, is not in the record. The Arbitrator notes that the APWU's craft jurisdiction claim for the Operator position on the AFCS Legacy machine, dated November 27, 1996, asserted that the USPS's addition to the AFCS of the Input Subsystem {ISS) (the date of that's equipment change is not in the record), warranted a change of the craft determination from the Mail Handler Craft in favor of the Clerk Craft.

The Arbitrator finds no evidence presented concerning the USPS's contemporaneous reasons in the early 1990s, when the AFCS Legacy initially was installed in postal facilities, to have made that initial craft determination for the Operator position in favor of the Mail Handler Craft. Nor does the Arbitrator find evidence in the record regarding whether there had been a contemporaneous challenge by the APWU to the propriety of the initial craft determination by the USPS in favor of the Mail Handler Craft, which, apparently, had been assigned at that time to employees in the Mail Processing Machine Operator position. In any event, there is no

dispute that the Operator position on the AFCS Legacy machine had been performed by an employee in the Mail Handler Craft, either by a Mail Processing Machine Operator, by a Mail Handler or, at times, by both [see the correspondence quoted, dated September 13, September 15, and October 4, 1999]. Nor is there a claim, or sufficient evidence to support such a claim, that the Mail Handler Craft employees who had performed the Operator position on the Legacy machines for many years, as a general matter, lacked the skills or abilities to perform that work in an efficient and effective manner.

The Arbitrator notes that the evidentiary record does not contain some of the significant background information, including a contemporaneous technical description of the AFCS legacy machine when it first was installed by the USPS in the "early 1990s," including identification of the equipment in use at the time of the initial craft determinations on all of the positions on the AFCS Legacy machines, including the Operator and the employees performing the loading and unloading of mail, each of which positions was assigned to the Mail Handler Craft. In this regard, see the document [quoted above] AFCS/ISS Operating System Guidelines, Handbook PO-424, dated August 1999, which sets forth descriptions of the functions of the equipment on the AFCS Legacy machines, including the ISS modifications.

In resolving this initial question under RI-399, Section II.E, the Arbitrator considered the following:

- The APWU's claim, filed by letter dated November 27, 1996, that the addition by the USPS of the ISS to the AFCS Legacy machine constituted an "operational change" to the AFCS which: made that operation *integral to the distribution function*; *directly replaced distribution work currently performed by Clerks in the OCR Operation*; and could be performed more efficiently and cost effectively by Clerks. This letter from the APWU asserted that it "should be considered as initiating a dispute in accordance with the RI 399 Dispute Resolution Procedures." As noted, there is no record evidence that the RI-399 procedures, in fact, were initiated or completed.

The Arbitrator notes that the APWU's 1996 claim appears to have been directed toward the initiation of an RI-399 craft jurisdiction proceeding to determine, in light of the addition of equipment, which craft should perform the Operator position on the AFCS Legacy. That is, this claim did not address the preliminary issue under Section II.E, discussed above, regarding whether the affect on the Operator position of the equipment change met the test of whether the USPS was required to institute a craft determination proceeding. The Arbitrator notes, with regard to the preliminary question to be addressed under Section II.E, that the APWU asserted that the addition of the ISS to the AFCS Legacy changed the operation *integral to the distribution function* and claimed that the change "replaced distribution work currently performed by Clerks in the OCR Operation." That is, the APWU claim, in essence, was that the addition of the ISS to the AFCS Legacy adversely affected the work performed - not by the Operator position on the Legacy - but, rather, the work performed by another position or positions on other machines.

The Arbitrator recognizes that the USPS's original craft determination for the Operator position on the AFCS Legacy machine, in favor of the Mail Handler craft, represented by the NPMHU, is not in the record. The Arbitrator finds no evidence presented concerning the USPS's contemporaneous reasons, when the AFCS Legacy initially was installed in postal facilities, for it to have made that initial craft determination for the Operator position in favor of the Mail Handler Craft. Nor does the Arbitrator find evidence in the record regarding whether there had been a contemporaneous challenge by the APWU to the propriety of the initial craft determination by the USPS in favor of the Mail Handler Craft, which, apparently, was assigned to the Mail Processing Operator position. In any event, there is no dispute that the Operator position on the AFCS Legacy machine had been performed by an employee in the Mail Handler Craft, either by a Mail Processing Machine Operator, by a Mail Handler or, at times, by both [see the correspondence quoted, dated September 13, September 15, and October 4, 1999]. Nor is there a claim, or sufficient evidence to support such a claim, that the Mail Handler Craft employees who had performed the Operator position on the Legacy machines for many years, as a general matter, lacked the skills or abilities to perform that work in an efficient and effective manner.

The Arbitrator notes that the APWU did not claim that the addition of the ISS to the Legacy machine resulted in any "new or additional work" for the existing Operator position on the Legacy. The Arbitrator finds,

therefore, that the APWU's 1996 claim did not seek to establish, as required by Section II.E, that, as the result of the addition of the ISS to the AFCS Legacy, the USPS - for that reason - was required to initiate a craft jurisdiction proceeding under RI-399 to determine which craft should be assigned to the Operator position in light of that equipment change.

The Arbitrator, in reaching this conclusion, considered the letter from the USPS, dated September 13, 1999, to the NPMHU, which states, in relevant part: "We have recently completed a review of the duties performed by operators assigned to the Advanced Facer Canceler System (AFCS) and the Mark II Facer Canceler machines. *This review was conducted to determine if the Mail Processing Machine Operator (2340-45xx) {MPMO) position is appropriately assigned to this equipment and to determine if the position operating the Integrated Advanced Facer Canceler System (IAFCS) is assigned to the appropriate craft. . . We have determined that operation of the IAFCS is appropriately assigned to the Mail Handler craft*". [Emphasis supplied.] The letter further states that the USPS determined, based on this "position review," that many of the prime duties of the Mail Processing Machine Operator position were not being performed while operating the AFCS or IAFCS and that, therefore, the Operator position on these machines more appropriately should be performed by the Mail Handler. Both the Mail Handler and the Mail Processing Machine Operator positions are represented by the NPMHU. The Arbitrator notes that the USPS conducted this evaluation as a "position review," not as a craft jurisdictional determination under the RI-399 procedures [see, below, the USPS letter, dated October 4, 1999, entitled "Position Review - Mail Processing Machine Operator]. This review was intended to determine which of two Craft Mail Handler positions, the Mail Processing Machine Operator or the Mail Handler, should be assigned to the Operator position on the AFCS Legacy machine or the IAFCS machine.

The Arbitrator also considered the following:

- The USPS letter, dated October 4, 1999, Subject: *Position Review* [emphasis added] - Mail Processing Machine Operator: MH-05, set forth the USPS's reasons for the above decision to assign craft Mail Handlers, rather than craft Mail Processing Machine Operators to the Operator position on the AFCS and IAFCS. The USPS's letter states that "*[t]his responds to your* [i.e., the NPMHU's] *request to review the subject position and to identify the appropriate mail handler craft position to be used to operate the Advanced Facer*

> *Canceler System (AFCS) and Integrated Advanced Facer Canceler System (IAFCS)*." The Arbitrator notes that this letter, stated that it constituted a "Position Review" by the USPS The letter did not state that this review was conducted pursuant to the RI-399 procedures as a craft jurisdiction determination. This USPS letter stated that, upon review of the position, the Mail Processing Machine Operator had been found not to have been performing certain prime duties of that position, including some maintenance-type duties, which, the USPS noted, had constituted a significant part of the basis for the USPS's initial decision to assign the Operator position on the AFCS Legacy machine, and then on the IAFCS, to the Mail Processing Machine Operator. The USPS stated that the change in the assignment of the Operator position on these machines, from the Mail Processing Machine Operator to the Mail Handler, would be made by attrition, as those individuals who had been assigned on these machines as Mail Processing Machine Operators retired, took other positions, etc.

The Arbitrator notes that the USPS stated in this letter that it had conducted this evaluation as a "Position Review," in response to the NPMHU's request for the USPS to review the Operator position of the AFCS and IAFCS machines, in order to "*identify the appropriate mail handler craft position* to be used to operate" [emphasis added] them. The USPS stated that the basis for it's decision to assign Mail Handlers, rather than Mail Processing Machine Operators, to future Operator position openings, related to the findings, in the review of the actual performance of the employees in the Operator position, that many of the duties of the Operator on these machines - which had been some significant part of the basis for the assignment of Mail Processing Machine Operators, as opposed to Craft Mail Handlers - were not being performed.

The Arbitrator finds that the USPS, in these letters, described how the Craft Mail Processing Machine Operator and the Craft Mail Handler, both positions represented by the NPMHU, were assigned to the Operator position on the AFCS and IAFCS machines. The Arbitrator is not persuaded that these letters should be found to demonstrate that the addition by the USPS of the ISS to the AFCS Legacy machines constituted, with respect to the work performed by the Operator position, the "[a]ssignment of new or additional work, not previously existing in the installation," within the meaning of RI-399, Section II.E. To the contrary, these letters show that the

USPS's review of the work performed by the Operator showed that certain work of the Operator position, which had been a significant part of the basis for the assignment of Mail Processing Machine Operators, rather than Mail Handlers, in fact, was not being performed by the Operators. Consequently, the Arbitrator finds that it is not appropriate to conclude that the USPS, as a result of the addition of the ISS to the AFCS Legacy machine, was required, under Section II.E, to have conducted a new craft determination proceeding for the Operator position, "in accordance with the primary craft designations contained in this instruction."

The Arbitrator, in this regard, considers persuasive the testimony at the instant Arbitration hearing of Mr. Devine and various individuals who testified about the duties which Mail Handler Craft employees performed on the legacy machines from the initial installation of the legacy machine to the 1996 challenge by the APWU, i.e., that the Mail Handler craft employees performed the work of the Operator position as required, with the exception regarding certain maintenance duties, which the USPS referred to in the above-quoted correspondence, and found that these duties had not been performed as had been anticipated when the Mail Processing Machine Operator (Mail Handler Craft) had been assigned to perform the Operator work on the legacy, instead of the Craft Mail Handler.

Equipment Added in 2004-2005 to the AFCS Legacy Machines - Multiline Optical Character Reader

The Arbitrator notes that the APWU's challenge under the RI-399 procedures, with respect to the USPS's craft jurisdiction determination of the Operator position on the AFCS legacy machine in favor of the Mail Handler craft, as raised by the APWU in its initial challenge in 1996, as well as its renewed and amended challenge filed in 2005, was that, in both instances, the changes to the machine introduced by the USPS on each occasion modified the operation of the Legacy machines in such a way that it was performing mail processing and distribution functions, rather than the simple and singular mail preparation function of cancelling the mail. The APWU argues that, in light of these changes, the USPS properly should have awarded the Operator position on the legacy machine, initially, in 1995, but certainly as a result of the changes in 2005, to the Clerk craft represented by the APWU.

The next question to be resolved is whether the USPS was required to have conducted a craft determination proceeding pursuant to RI-399 in conjunction with the addition to the AFCS Legacy machine of the Multiline Optical Character Reader in 2004-2005. The Arbitrator finds, for the following reasons, that the addition of this equipment to the legacy machines did not change significantly the work performed by the Operator position and, consequently, that it did not constitute "the assignment of new or additional work," within the meaning of RI-399, Section II.E, which would have required the USPS to have conducted a craft determination proceeding for the existing Operator position to which Mail Handler craft employees had been assigned for many years.

The Arbitrator notes, in this regard, that the letter from Patricia Heath, Labor Relations Specialist, Contract Administration, USPS, to James P. McCarthy, Director Clerk Division, APWU, dated July 9, 2004, responded to the information request regarding the AFCS Legacy machine which had been submitted by the APWU, dated March 29, 2004, as well as a letter from the APWU, dated May 18, 2004, regarding a USPS letter, dated May 5, 2004, "about AFCS enhancements and the Multiline Optical Character Reader replacement effort." Enclosed with the USPS's July 6, 2004, letter was an enclosure, "Advanced Facer Canceller System (AFCS) Current Capabilities and OCR Upgrade Plans". This document states, in relevant part:

> Current AFCS Capabilities
>
> A significant portion of our First-Class letter mail is deposited each day in mail boxes, collection boxes and at more than 40,000 retail units across this country. Once collected, this mail is taken to a processing plant, where it is initially processed on an AFCS.
>
> The AFCSs first task is to orient the letters so the addresses "face" in the same direction. The technique used by the AFCS to face mail is to look for phosphorescent or florescent links in the corners of letters, and then flip them accordingly. These links are on the Postal Service's stamps and in the indicia placed on letters by postage meters and by printers. If the AFCS cannot detect any of these special inks, the letter goes into the AFCS's reject bin.
>
> For those letters that have been faced, the AFCS then cancels or postmarks the stamped mail. Finally, it separates the successfully processed mail into three processing categories - - mail that contains a Facing Identification

Mark (FIM), mail with machine imprinted addresses, and mail with handwritten (script) addresses. The AFCS is able to split the mail into these three categories because it is equipped with two grayscale cameras and a computer that searches the captured mail piece image for vertical lines.

358 of the Postal Service's 1,086 AFCS's have been retrofitted with a Video Facing Unit so that those letters that initially fail the facing step can be reprocessed. Instead of looking for inks, these enhanced AFCSs work with image data from the pair of grayscale cameras to determine the correct orientation of each mail piece. While presently being used just to solve letter facing problems, the Video Facing Unit's hardware is suitable for OCR tasks.

The AFCS is the gateway operation in a cascading series of processes that imprint barcodes, and then sort, transport and deliver mail based upon barcodes. Collection mail that has been initially divided by the AFCS into three categories then proceeds to subsequent operations for processing. The mail with FIM marks is fed into a barcode sorter. The mail with machine imprinted addresses is fed into an MLOCR.

Before discharging a piece of script mail into its third stacker, the AFCS takes a picture of the mail piece, and transmits those images to the Remote Bar Coding System (RBCS). Script mail from the AFCS then is held until transmissions are received from RBCS that contain the matching barcodes. The script mail then is fed through a specially configured bar code sorter, which sprays barcodes onto the script mail and sorts it into up to 222 output stackers.

Planned OCR Upgrades for AFCS Equipment

Funding for the Optical Character Reader (OCR) Enhancements for Letter Automation Program was approved by the U. S. Postal Service Board of Governors in February 2004. As part of this program, OCR upgrades will be installed on all Advanced Facer Canceller System (AFCS) machines. Deployment of the AFCS OCR upgrades is expected to begin in January 2005 and end in July 2005.

* * *

Mr. Schimmel's Testimony

Re: Change in Buffer Feeder Area of
Legacy - Operator Culls/Grooms Mail

Mr. Schimmel testified, about the operation of the Buffer Feeder area on the AFCS Legacy machine compared with that on the AFCS 200, as follows:

> *The unique thing between the AFCS 200 and the legacy machine is that the legacy, what was mentioned before, was this buffer. It's actually called the buffer feeder. So the mail in the legacy machine would come into this area, which would be the buffer feeder area, and then that's where the operator of the machine could then cull the mail or - - or groom the mail. So there's - - there's a little bit of touching of the mail that an operator does there.*
>
> On the AFCS 200, where you see this little orange button - - on this cover here, the mail automatically comes through this area and bypasses this - - this feed mechanism, this feed mechanism here. *So the majority of the mail comes around here and automatically gets inducted into the machine, so there's not any touching of the - - of the mail or grooming of the mail by the operator.* [Emphasis supplied.]

* * *

Mr. Schimmel identified the key duty of the Operator position on the Legacy machine at the buffer feeder area "where the operator of the machine could then cut the mail or - - or groom the mail. So there's - - there's a little bit of touching of the mail that an operator does there." The Arbitrator finds significant that the changes to the AFCS Legacy machines made in 2005 greatly reduced the need for the Operator to be located on the machine where this work previously had been performed.

Mr. Schimmel's Testimony:
Two Camera Mail Piece Imaging

> At that stage, once the mail turns the corner there and goes - - goes behind this - - this is the stacker area. You can't see it, but at the same level as these covers, there's covers behind this - - this guy here. It's a pretty narrow area. That's where our imaging systems

are. So the mail pieces will be imaged here. There's two cameras looking at the front and the back of the mail piece. That's where the facing comes in. So we gather an image of the - - of the mail piece, the front and back of the mail piece here, and then we go through this enricher portion of the machine.

On the legacy machine, the camera systems are not at the front of the machine, so - - and it's hard to explain without seeing the other side of this - - this blue bin here, but there's - - there's actually a mail path right behind this thing that the mail comes and enters into this part of the machine here.

* * *

Testimony of Michael Burns
Re: The AFCS Legacy

The Arbitrator credits the following testimony of Michael Burns, who currently works as a Mail Processing Equipment Mechanic, Clerk Craft, Maintenance, at Cedar Rapids, Iowa. Mr. Burns testified that, in 2009, he had worked there as a Group Leader Mail Handler. on Tour 3. He handled the 010 and 020 operations, the AFCS cancellations and dock dispatches. He oversaw Mail Handlers doing magazine prep and breakdown. Mr. Burns testified, that, as a Group Leader, he worked on the legacy machines:

. . . so my job was to make sure that we could keep a constant flow of mail, that the culling was - - was good, if the mail was clean, that we could ensure that the operators were busy at all times.

And then at certain times, peak season, I would take and actually have - - give the - - the operators extra help, sweepers, and so we could pick up an extra possible 5,000 letters per - - on the throughput per machine is what I would do on that . . . .

* * *

Mr. Burns testified, on direct by APWU, with respect to the operation of the AFCS legacy machines:

> . . . The legacy had a buffer feeder carriage on it, and the mail handler was stationed - - the mail handler operator was stationed - - the mail handler operator was a bid job, a level 5, they were stationed at that spot, and their job was to keep culling the mail to enhance the feeder buffer. It was - - it had a manual lever on it, but it was automatic. You could take it off of auto feed and push it back and keep the mail coming in, and was a good flow.
>
> That probably absorbed 80 percent of your time as an operator on the AFCSs to keep that mail tight and try to get the maximum throughput that you could. And then you would go over - - if you would hear the lights coming on the seven stackers you would go over and sweep the stackers off of there, but that - - you didn't spend much time over there. Your position - - you were domiciled at the feeder station.
>
> * * *

The Arbitrator's Conclusion,
Re: Whether 2005 Changes
To AFCS Legacy Should Have
Resulted in a Craft Determination
Proceeding for the Operator Position

The Arbitrator concludes, for the above reasons, that the most significant work performed by the Operator position on the Legacy machines involved the duties, described above by Mr. Devine, Mr. Schimmel and Mr. Burns, which required the Operator to be near the buffer feeder area "to keep culling the mail to enhance the feeder buffer. . . . That probably absorbed 80 percent of your time as an operator on the AFCSs to keep that mail tight and try to get the maximum throughput that you could." The Arbitrator is not persuaded that it has been demonstrated that the USPS's addition of equipment to the Legacy machines in 2004-2005 resulted in significant changes to the duties which had been performed by the Operators since the initial installation of these machines. The Arbitrator finds that there is insufficient evidence to conclude that the effect on the work performed by the Operator position by these equipment changes met the requirements of Section II.E, of RI-399, in order to support a finding which that the USPS therefore was required to have conducted a craft determination procedure at that time to evaluate which craft should

be assigned to the Operator position on the Legacy machines, as revised by the new equipment in 2005. Accordingly, the APWU's claim that the USPS improperly failed to assign the Operator position on the Legacy machines in 2005 to APWU Craft employees, is denied.

ISSUE II: ARBITRATOR'S DISCUSSION:
Re: Whether the 2011-2012 Equipment Changes to the AFCS Legacy Machines Required The USPS, Under RI-399, Section II.E, To Initiate Craft Determination Proceedings Regarding Positions on the AFCS 200 Performing Loading and Unloading Mail

The Arbitrator, for the following reasons, finds insufficient evidence presented to demonstrate that there was an appropriate basis for finding that the USPS, at the time that it changed and modified the equipment on the AFCS Legacy in 2011-2012, was required, by RI-399 Guidelines, Section II.E [quoted above], to have initiated an RI-399 craft determination procedures, to review the then existing craft assignments on the Legacy machines of Mail Handler employees assigned to perform the functions of loading mail onto, and unloading it from, the revised AFCS 200 machines. The Arbitrator notes that, when the USPS initially installed the AFCS Legacy machines sometime in the early 1990s, it made the original craft determinations in favor of employees in the Mail Handler Craft for the positions performing the loading and removal of mail. The USPS, at that time, also awarded the performance of the Operator position on the Legacy machines to employees in the Mail Handler Craft.

The Arbitrator is not persuaded that it has been established in this case that the USPS was required, by the equipment and/or technological changes made in 2011-2012, to the AFCS Legacy machine, to have conducted a review of the existing craft determinations for the loading and unloading work in favor of the Mail Handler Craft. The Arbitrator is not persuaded that the changes made by the USPS to the equipment and/or technology on the AFCS Legacy machines in 2011-2012, with respect to the loading and removal of mail functions, constituted the "[a]ssignment of new or additional work, not previously existing in the installations." That is, the Arbitrator finds insufficient evidence that the equipment and technological changes made in 2011-2012 affected directly, and to a significant extent, the work of loading and removing mail which had been,

and continued to be, performed by Mail Handler Craft employees on the revised AFCS 200 machines.

In the Arbitrator's judgment, such a finding of a significant change in the work duties and functions of an existing designated craft position constitutes a condition precedent to a finding that the USPS would be required, by Section II.E, to have conducted a craft determination proceeding under RI-399 to determine which craft would be assigned to perform such "new or additional work". For these reasons, the Arbitrator denies the APWU's claim that the USPS acted improperly in 2011-2012 insofar as the USPS failed at that time to conduct a craft determination proceeding for the loading and removal of mail from the AFCS 200 machines and to have made a new craft determination for those positions in favor of the Clerk Craft.

ISSUE II: Whether The Equipment Changed On The AFCS Legacy Machines in 2012 Required The USPS, Under RI-399, Section II.E, To Initiate A Craft Determination Proceeding For The Operator Position On The AFCS 200 Machines

ARBITRATOR'S DISCUSSION

The Arbitrator concludes, for the following reasons, that significant changes and modifications to the AFCS Legacy machines were made in 2012 by the USPS to the AFCS Legacy machines, which became the AFCS 200 machines, which changes resulted in the "[a]ssignment of new or additional work [to the Operator position], not previously existing in the installation," within the meaning of RI-399, Section II.E. The Arbitrator finds, therefore, that the USPS at that time, i.e., in conjunction with the equipment changes, appropriately conducted a craft determination proceeding for the Operator position on the AFCS 200. The Arbitrator finds that the USPS acted appropriately insofar as it made the determination regarding the assignment of the new or additional work "in accordance with the primary craft designations contained in this instruction." The Arbitrator finds that the USPS, insofar as it made the craft determination for the Operator position on the AFCS 200 in favor of the APWU Craft, acted appropriately in accordance with the requirements of the craft

determination procedures under RI-399, the respective CBAs of the APWU and the NPMHU, and the relevant previous Jurisdiction Arbitration Decisions. The Arbitrator concludes, for these reasons, that the claim by the NPMHU that the USPS acted improperly insofar as it made the craft determination for the Operator position on the AFCS 200 in favor of the APWU Craft. This claim by the NPMHU, for the following reasons, is denied.

The Arbitrator, in this regard, finds that the USPS, in making the craft determination for the Operator position on the AFCS 200 in favor of the Clerk Craft, properly exercised its discretion under the RI-399 Guidelines, insofar as it afforded appropriate consideration to: relevant provisions of the RI-399 Guidelines; relevant provisions of the respective CBAs of the APWU and the NPMHU; and previous Craft Jurisdictional Arbitration Awards. The Arbitrator finds that the USPS's craft determination for the Operator position reasonably was based on appropriate considerations and that it was made in good faith. The Arbitrator finds insufficient evidence presented to support the NPMHU's claim that the USPS's craft determination for the Operator position on the AFCS 200 in favor of the Clerk Craft was arbitrary, capricious, unreasonable, based on discriminatory or other improper reasons, or that this determination otherwise constituted an abuse of the USPS's discretion, under the RI-399 Guidelines to make such craft determinations, subject to review pursuant to RI-399 procedures. Accordingly, the Arbitrator denies the NPMHU's claim that the USPS's craft determination for the Operator position on the AFCS 200 in favor of the Clerk Craft was improper, that it should be set aside, and that the position should continue to be assigned to the Mail Handler Craft. For reasons further discussed below, the Arbitrator denies the APWU's claim that all of the positions on the AFCS 200 should have been assigned to the Clerk Craft. The Arbitrator concludes, in this regard that the equipment changes made to the AFCS Legacy machines in 2012 did not have a sufficient impact on the duties performed by the Mail Handler Craft employees on the loading and unloading of mail to have required the USPS to have reviewed these positions pursuant to the RI-399 Guidelines and to have concluded that the loading and unloading work performed on the AFCS 200 was so integral to the operation as to have required that it be assigned to the same craft as that assigned to the Operator position, i.e., to the Clerk Craft.

<u>RI-399 Guidelines</u>
<u>Section II.E - The Assignment</u>

Of New or Additional Work

The Arbitrator finds sufficient evidence presented to establish that the USPS had an appropriate basis under the RI-399 Guidelines, Section II.E [quoted above], at the time it changed and modified the equipment on the AFCS in 2012, to initiate an RI-399 craft determination proceeding to review the existing craft assignment of the Operator position on the AFCS Legacy machines in favor of the Mail Handler Craft and to determine to which craft the revised position on the AFCS 200 machines should be assigned. The Arbitrator finds that the USPS's resulting craft determination for the Operator position on the AFCS 200 machines, in favor of the Clerk Craft, reasonably was based on relevant considerations under: the applicable RI-399 Guidelines; relevant provisions of the respective CBA of the APWU and the NPMHU; and previous Craft Jurisdiction Arbitration Decisions. The Arbitrator finds insufficient evidence presented to support the NPMHU's claim that the USPS's craft determination for the Operator position in favor of the Clerk Craft should be found to have been arbitrary, capricious, lacking good faith, improperly based on prohibited considerations, or that it otherwise should be found to have constituted an abuse of the USPS's discretion under the RI-399 Guidelines to make such craft determinations, subject to review through the Arbitration process.

The Preliminary Issue Under
RI-399, Section II.E

The Arbitrator finds sufficient evidence presented to support a finding that the USPS had an appropriate basis, under Section II.E, of the RI-399 Guidelines, at Section II.E [quoted above], to have required the USPS - at the time that it had changed and modified equipment on the AFCS in 2015 - to have initiated a craft jurisdiction determination proceeding under RI-399 to review the previously existing craft assignment of the Operator position on the AFCS Legacy machines to the Mail Handler Craft in the early 1990s. That is, the Arbitrator is persuaded that there has been the necessary showing which is a prerequisite to the requirement for the USPS to conduct a review of the existing craft determination for the Operator position on the Legacy machines. The test, as discussed above, under RI-399, Section II.E. is whether there has been the "[a]ssignment of new or additional work, not previously existing in the installation".

The Arbitrator finds that the work performed by the Mail Handler Craft employees was changed to a significant extent by the USPS's major revamping of the AFCS Legacy machines when it added substantial equipment to create the AFCS 200 machines and changed the nature of the work which was to be performed by the Operator position on the revised AFCS 200s.

For this reason, the Arbitrator finds appropriate the APWU's claim that the USPS properly conducted a craft determination proceeding, following the announced changes to the AFCS machines in 2012 and the anticipated changes to be made to the duties performed by the Operator position on the AFCS 200, and that the USPS properly concluded, as a result of the craft determination proceeding, to issue the craft determination for the revised Operator position on the AFCS 200 in favor of the Clerk Craft, Accordingly, the Arbitrator denies the NPMHU's claim that the USPS improperly reassigned the craft assignment for the Operator position - from the Mail Handler Craft employees who had performed the Operator position from the initial installation of the AFCS Legacy machines in the early 1990s - in favor of employees in the Clerk Craft

<u>The Parties' Stipulations</u>
<u>Regarding the AFCS 200</u>

The Arbitrator notes, preliminarily, that the Parties stipulated to the following facts relevant to the AFCS 200 issue:

The AFCS 200 was introduced to mail processing operations in 2011.

Based on the last 30 days of use, the Postal Service deploys 60 active AFCS legacy machines and 507 active AFCS 200 machines at various locations throughout the country.

Both the AFCS legacy and AFCS 200 perform both a facer/canceller function and a sortation/distribution function.

Both the AFCS legacy and AFCS 200 are run by a single operator.

For the AFCS 200, the operator position is performed by the American Postal Workers Union.

Induction activities for both the AFCS legacy and AFCS 200 are performed by Mail Handlers.

* * *

Glossary of Terms
Definition of AFCS/OCR

The USPS Publication 32, Glossary of Terms, dated July 2013, sets forth, at page 11, the following Definitions (as relevant):

Advanced Facer Canceler System with Optical Character Reader: AFCS/OCR

A machine with many components that culls, faces, and cancels through a series of automated operations First-Class Mail letter-size pieces received primarily from collection mail. The machine first culls or removes pieces that are too thick, too stiff, too long, or too tall. It then reads the indicia area to edge, face, and cancel the remaining letter mainstream and sorts the letters into one of seven stackers (six accept stackers and one bypass (reject) stacker. Two of the accept stackers (lead and trail) are for facing identification mark (FIM) mail, two are for mail local to the processing facility, and two are for outgoing mail. The FIM mail is taken from the AFCS/OCR directly to a delivery bar code sorter (DBCS). The local and outgoing mail is taken to a DBCS to have the POSTNET barcode printed and for further sorting.

* * *

The Arbitrator, based upon the above, finds sufficient evidence to support the conclusion - which is a condition precedent, under RI-399 Section II.E, to the requirement that the USPS initiate a craft determination proceeding for a position which has an existing craft determination - that the change in equipment on the AFCS 200 in 2011-2012 had a significant impact on the principal functions which had been performed by the Operator position on the Legacy machine,

within the terms of Section II.E. The Arbitrator finds that the equipment added to the AFCS 200 in 2011-2012 changed substantially the focus and the location of the performance of the Operator's functions from "fine culling" at the mail loading portion/buffer feeder equipment of the Legacy machine to having the Operator stationed adjacent to the additional stacker bins at which the greater level of sortation by the AFCS 200 was processed by the machine. The Arbitrator finds, based on the particular facts presented in this case, that these equipment and technological changes testified to by Mr. Devine and Mr. Schimmel, and the resulting direct effect on the duties performed by the Operator position, met the test in Section II.E, for the "[a]ssignment of new or additional work, not previously existing in the installation". The Arbitrator finds that, in turn, this new or additional work obligated the USPS to conduct a new craft determination proceeding, under RI-399, to determine the proper craft to assign to perform the revised Operator position on the AFCS 200.

The USPS's Craft Determination in 2012 For the Operator Position on The AFCS 200 in Favor of the Clerk Craft Represented by the APWU

The Arbitrator finds the proper focus with regard to the resolution of the issue concerning the propriety of the craft determination by the USPS in favor of the Clerk Craft, necessarily must be based on: whether that determination was made in good faith and reasonably was based on the information then available to the USPS regarding the affect, if any, of the new equipment on the duties to be performed by the Operator position on the new AFCS 200 machine; and whether that determination was arbitrary, capricious, unreasonable, based on improper considerations, or otherwise constituted an improper exercise by the USPS of its discretion to make such craft determinations under RI-399, subject to review; and whether this craft determination was made by the USPS officials with due consideration for the principles of RI-399, the relevant provisions of the respective CBA's of the APWU and the NPMHU; and relevant prior Craft Jurisdiction Arbitration Awards. The Arbitrator notes that, pursuant to RI-399, at Paragraph II(A): "All actions taken relative to implementation of these guidelines must be consistent with an efficient and effective operation."

The Arbitrator concludes that the USPS's 2012 craft determination for the Operator position on the AFCS 200 machine, in favor of the Clerk Craft represented by the APWU, has been shown to have been based

properly on the appropriate considerations set forth above in a manner consistent with the right of the USPS, under the RI-399 principles, to exercise discretion in making such determinations. Conversely, the Arbitrator concludes, it has not been shown that the USPS officials who made this craft jurisdiction determination in favor of the Clerk Craft, exercised their discretion in a manner which was arbitrary, capricious, in bad faith, or for reasons which have been shown to have been improper, discriminatory, or inconsistent with, or in violation of, the relevant principles of RI-399, the relevant provisions of the NPMHU's CBA, or prior Jurisdictional Arbitration Decisions. In sum, the Arbitrator does not agree that there has been a sufficient showing that the USPS's craft determination on the AFCS 200 exceeded the discretion afforded to the USPS under the RI-399 procedures to make such craft determination, subject to challenge and Arbitral review of that determination. For these reasons, the jurisdictional claim raised by the NPMHU in Issue II is denied.

Thus, the Arbitrator notes that the APWU contends that the USPS properly made the c2012 raft jurisdiction determination for the Operator position on the AFCS 200 machine in favor of the Clerk craft represented by the APWU. The APWU asserts that this craft jurisdictional determination by the USPS in September 2012 properly was made to reflect the equipment modifications and technological changes made to these machines and, as a result of those changes, to the operation of these machines, beginning in the summer of 2012. The APWU agrees with the statement in the USPS's craft determination letter, dated September 28, 2012, that "the duties performed by the operator are similar to the duties performed by a Mail Processing Clerk. Accordingly, the primary craft for the operator position on the AFCS 200 is the Clerk Craft."

<u>Mr. Devine's Testimony Re:</u>
<u>The Differences Between the</u>
<u>AFCS Legacy and AFCS 200 Machines</u>

Mr. Devine testified, as follows, with regard to the letters, dated September 28, 2012 [quoted above], which had been sent to each Union setting forth the basis for the USPS's craft jurisdiction determination for the AFCS 200. Mr. Devine testified with regard to the statement: "The system enhancements illustrated below are significant and represent a complete change in the performance and service of the AFCS." Mr. Devine continued:

. . . what happened here is you had an increase of stackers from 7 to 12, and as it points out - - I believe it's on the next page - - there's actually an addition of eight additional stackers, which - - it's on the - - in the greater depth-of-sort portion there.

And what that means is that this machine is now capable of performing distribution to eight additional - - eight specific places that could be culled out in these stackers, and as Todd [Mr. Schimmel] explained could be used for the processing of those places.

So at that point, it was clear that it went beyond - - you may recall Bruce's [Mr. Lerner of NPMHU] cross-examination of the APWU witness about local out-of-town splits. *So it was clear that by having these eight stackers, we were now looking at going way beyond local out-of-town splits and that this machine was actually performing distribution.*

. . . When I was referring to the 12, I was referring to the outputs. So you - - . . . a total of eight outputs that you could now use beyond your rejects and your local mail, the things we had previously used this for. [Emphasis supplied.]

* * *

Mr. Devine acknowledged, on cross-examination by NPMHU, with regard to the presence on the AFCS 200 of the reverter and the increase from seven stackers to 12 stackers - which resulted in eight additional outputs/stackers being available on the AFCS 200 - that these considerations were set forth on the second page of the USPS's Craft Determination letter under "greater depth-of-sort." Mr. Devine agreed that, as he had testified on direct, *the fact that the AFCS 200 gained the ability to sort in greater depth was the key factor for the USPS's determination to change the Operator position to the Clerk craft.*

<u>The 1986 Jurisdiction Arbitration</u>
<u>Award of Arbitrator Zumas</u>

The Arbitrator notes the APWU's argument that, one of the five implementation criteria of RI-399 that continues to be controlling in every

jurisdictional determination, is that machines with distribution activities are part of mail distribution, even if they also involve or perform mail preparation activities. The APWU relies on the following statement in RI-399:

> Where the functions of obtaining empty equipment, obtaining unprocessed mail, loading ledges and sweeping are an integral part of the distribution function and cannot be efficiently separated, the entire operation will be assigned to the primary craft performing the distribution activity.
>
> * * *

The Arbitrator notes that the APWU asserts that the language of this section of RI-399 explicitly makes mail distribution the dispositive consideration in deciding jurisdiction and that this controlling consideration is as true for the operations performed by the machine as it is for the duties performed by the employee. The APWU adds that, if a machine primarily is performing a mail distribution function, even if it also performs mail preparation functions that cannot be separated in the machine's operation, the Operator position should be assigned to the craft with jurisdiction over the mail distribution functions. According to the APWU the resolution of this issue turns on at what point in the process the AFCS machine can be found to have begun performing mail distribution. Once the AFCS evolved enough, so that it was not performing only mail preparation functions of facing and canceling, but had added functionality to make it part of the machine distribution of mail, the jurisdiction over the Operator position on the AFCS also needed to evolve to stay consistent with RI-399 and the jurisdictional line the Parties have established. The Arbitrator addressed this claim above and concluded, based on considerations under RI-399, Section II.E, that the USPS was not required to initiate a craft jurisdiction proceeding for the Operator position until the effect on the duties of the Operator position made be the equipment changes in 2012.

The Arbitrator notes the 1986 Arbitration Award of Arbitrator Zumas (cited above), regarding the Mail Processor Position/OCR, in which he stated:

> The essence of RI 399 was a recognition that the mail distribution and sorting functions belong to the Clerks as the Primary Craft; and that the bulk mail handling, preparation and pre-distribution functions were reserved to the Mail Handlers as the Primary Craft.
>
> * * *

The Arbitrator notes that Arbitrator Zumas affirmed in that Decision the proposition that "OCR machine distribution of mail was a jurisdictional function belonging to the Clerks." Arbitrator Zumas described the relationship between the machine and the work in holding that:

> Given the jurisdictional proprietary right of the Clerks to distribute mail and the fact that the purpose of the OCR/CS and BCS machines is to sort and distribute letter mail, it follows that the Mail Processor, while operating such machinery, is performing a distribution function reserved to the Clerks as the Primary Craft.
>
> * * *

The Arbitrator notes that, in that Decision, Arbitrator Zumas: compared the OCR/CB and the BCS with the Mark II and M-36 facer-cancelers to determine whether the functions of the machines were akin to mail preparation or to distribution; noted that the Mark II and the M-36 facer-cancellers were mail preparation machinery, not distribution machinery because the purpose of such machinery is to cancel postage and otherwise ready the mail for later distribution; found that there was a fundamental contractual obligation imposed by RI-399 to assign OCR distribution of all classes of mail to the Clerks; and affirmed that the assignment by the USPS of work on this distribution machine and the Mail Processor position to the Clerks.

The Arbitrator finds, based on the testimony of Mr. Devine and Mr. Schimmel, that the purpose of the AFCS 200, after the equipment changes in 2012, insofar as the Operator position is at issue, primarily is distribution and that, only secondarily, does it continue to involve mail preparation. The Arbitrator finds that the record evidence demonstrates that the purpose and function of the AFCS 200, related to the Operator

position, goes beyond mail preparation. As was found to have been the purpose of earlier facer-canceller machines, i. e., that these machines are the *first step* in the mail distribution process, rather than the *last step* in the mail preparation process. The key point thus concerns where, based on the processes of the USPS and the facts of this case, does mail distribution begin.

The Arbitrator agrees that it is not enough that the AFCS 200 machines share the name of earlier machines that only performed the mail preparation function. The Arbitrator does not find it determinative that these AFCS 200 *distribution* machines also continue to perform preparation work which normally falls within the jurisdiction of the Mail Handler Craft. The Arbitrator finds, in the particular facts involved with the equipment changes to the AFCS 200 machines, that, because the fundamental function of the AFCS machines now is distribution, the facing and cancelling functions, which also continue to be performed, do not control the craft jurisdiction determination for the Operator position.

Rather, the Arbitrator notes, since RI-399's earliest application, the distribution functions on a achine and the fundamental purposes of a machine are considered to constitute the dispositive consideration in finding the appropriate line between mail preparation and mail distribution. The Arbitrator does not agree that it is necessary, or appropriate, to determine in this proceeding which involves the particular facts regarding the AFCS 200, that only machines that perform p*ure* mail preparation should be assigned to Mail Handlers, while all hybrid machines, that do mail preparation plus distribution, should be assigned to the Clerks. In the Arbitrator's judgment, the issue of determining the appropriate craft jurisdiction under the RI-399 principles involves a careful evaluation of the particular equipment and job duties involved.

The Arbitrator also has considered the following testimony as relevant, albeit the basis for Mr. Burns' experience was the work he performed on the AFCS 200

<u>Mr. Schimmel's Testimony</u>
<u>Re: Change in Buffer Feeder Area of</u>
<u>Legacy - Operator Culls/Grooms Mail</u>

Mr. Schimmel testified about the differences between the operation of the Buffer Feeder area on the AFCS Legacy machine versus the AFCS 200, as follows:

> *The unique thing between the AFCS 200 and the legacy machine is that the legacy, what was mentioned before, was this buffer. It's actually called the buffer feeder. So the mail in the legacy machine would come into this area, which would be the buffer feeder area, and then that's where the operator of the machine could then cull the mail or - - or groom the mail. So there's - - there's a little bit of touching of the mail that an operator does there.*
>
> On the AFCS 200, where you see this little orange button - - on this cover here, the mail automatically comes through this area and bypasses this - - this feed mechanism, this feed mechanism here. *So the majority of the mail comes around here and automatically gets inducted into the machine, so there's not any touching of the - - of the mail or grooming of the mail by the operator.* [Emphasis supplied.]

* * *

Testimony of Michael Burns
Re: Difference Between the Operator
Position on the AFCS Legacy versus
The Operator on the AFCS Legacy

The Arbitrator also has considered the following testimony as relevant, but not controlling, given that the basis for Mr. Burns' experience was the work he performed on the AFCS 200 after the USPS considered the proposed changes on the AFCS 200 and projected what would be the effect of those equipment changes on the duties performed by the Operator position. That is, the USPS officials and Union representatives who participated in the initial evaluations of the projected equipment and technological changes, viewed the post-installation changes during plant visits, prepared position statements and subsequently issued the Determination letter, would not have been aware of the subsequent experience of Mr. Burns and other employees after they began working on the AFCS 200, as it evolved from the Legacy machines. The Arbitrator, nevertheless, finds that Mr. Burns' testimony regarding his experience working as an Operator on the AFCS 200, was consistent with the

projections made by the USPS when it engaged in the craft determination process. The Arbitrator does not consider testimony concerning the operation of the AFCS 200 after the craft determination process had been completed to be controlling herein regarding the validity of the USPS's actions during that process.

The Arbitrator notes that the testimony of Michael Burns, on direct by APWU, is credited, with regard to whether the work which he had performed in the Operator position on the legacy was the same as that which he subsequently performed in the Operator position on the AFCS 200. The Arbitrator finds that Mr. Burns' testimony on this point was consistent with the projections made by the USPS during the craft determination. Process in favor of the Clerk Craft:

> *Oh, no it's not the same job. It changed a lot. It changed a lot. It's just the complete opposite. It's the polar opposite of what it was. Instead of being at the feeder station and grooming that mail, you are now over at the sweeping - - at the stacker module sweeping. That's your - - that's your main responsibility is to sweep that machine*. [Emphasis supplied.]
>
> * * *

The Arbitrator notes that Mr. Burns also testified, with regard to whether the work performed by the Operator position on the front end of the AFCS 200 - which had been assigned to Mail Handler Craft employees - had been "designed out":

> Yes, it did. It enclosed the auto feeder. So the video that we saw is a little misleading, because you see the - - you see the individual standing at the feeder.
>
> And I - - I think Mr. Lerner's right. That's a kind of a Siemans promotional video, where they're - - because you've got this function that you can do and - - but *the real - - the real work for the 200s is not there. It's - - it's at the stacker module.* [Emphasis supplied.]
>
> * * *

The Arbitrator also notes Mr. Burns' testimony, on direct by APWU, with respect to the operation of the AFCS legacy machines:

> . . . The legacy had a buffer feeder carriage on it, and the mail handler was stationed - - the mail handler operator was stationed - - the mail handler operator was a bid job, a level 5, they were stationed at that spot, and their job was to keep culling the mail to enhance the feeder buffer. It was - - it had a manual lever on it, but it was automatic. You could take it off of auto feed and push it back and keep the mail coming in, and was a good flow.
>
> *That probably absorbed 80 percent of your time as an operator on the AFCSs to keep that mail tight and try to get the maximum throughput that you could.* And then you would go over - - *if you would hear the lights coming on the seven stackers you would go over and sweep the stackers off of there, but that - - you didn't spend much time over there. Your position - - you were domiciled at the feeder station*. [Emphasis supplied.]

* * *

Mr. Burns also testified, on direct by APWU, with respect to the operation of the AFCS 200s:

> *Well, the buffer feeder, the carriage is gone. It's been designed out, so that auto feeder position of it is enclosed. It's not even accessible now. So it's kind of like, the legacy and the 200, the operator responsibilities have kind of flipped.*
>
> *So now you're basically stationed - - the operator now is stationed at the stacker module, and your primary job is spring - - is sweeping those bins into the - - the tray cart, because you do not want that bin getting past 75 percent full on a 200, because that will slow the throughput of the machine down.*
>
> So what we're really working at is trying to - - *as a mechanic, I'm trying to increase throughput, lessen at-risk mail and lessen jams.* And that brings up the quality of the machine, and that is what I'm trying to do.

That's what the clerk is also trying to do by not getting full bins, by hitting the emergency stops, because that will stop the machine. The computer drops as many as 25 to 52 letters, and they will go into the reject bin, so - - and that increases our at risk. So what we're trying to do is - - is really bring the quality of the machine to a higher level.

* * *

There's two GEUs (sic) on the machine. One is at the - - at the manual feeder station, and the other one is the [sic] located at the stacker module so that the clerk can see - - can look at the footprint on the - - on the GEU. There's a program called the footprint screen, and then that will show with an X on that module as to where that jam, should one arise, is at, so they'll know immediately where to go to clean that jam up. So - - so this is part of the - - *the improvement on the 200 is to have that GEU over that while the clerk is sweeping the mail stacker module.* [Emphasis supplied.]

* * *

Mr. Devine's Testimony Re:
The Differences Between the
AFCS Legacy and AFCS 200 Machines

Mr. Devine testified, as follows, with regard to the letters, dated September 28, 2012 [quoted above], which had been sent to each Union setting forth the basis for the USPS's craft jurisdiction determination for the AFCS 200. Mr. Devine testified with regard to the statement: "The system enhancements illustrated below are significant and represent a complete change in the performance and service of the AFCS." Mr. Devine continued:

. . . what happened here is you had an increase of stackers from 7 to 12, and as it points out - - I believe it's on the next page - - there's actually an addition of eight additional stackers, which - - it's on the - - in the greater depth-of-sort portion there.

> And what that means is that this machine is now capable of performing distribution to eight additional - - eight specific places that could be culled out in these stackers, and as Todd [Mr. Schimmel] explained could be used for the processing of those places.
>
> So at that point, it was clear that it went beyond - - you may recall Bruce's [Mr. Lerner of NPMHU] cross-examination of the APWU witness about local out-of-town splits. *So it was clear that by having these eight stackers, we were now looking at going way beyond local out-of-town splits and that this machine was actually performing distribution.*
>
> . . . When I was referring to the 12, I was referring to the outputs. So you - - . . . a total of eight outputs that you could now use beyond your rejects and your local mail, the things we had previously used this for. [Emphasis supplied.]
>
> * * *

The Arbitrator notes that Mr. Devine acknowledged, on cross examination by NPMHU, with regard to the presence on the AFCS 200 of the reverter and the increase from seven stackers to 12 stackers - which resulted in eight additional outputs/stackers being available on the AFCS 200 - that these considerations were set forth on the second page of the USPS's Craft Determination letter under "greater depth-of-sort." Mr. Devine agreed that, as he had testified on direct, *the fact that the AFCS 200 gained the ability to sort in greater depth was the key factor for the USPS's determination to change the Operator position to the Clerk craft.*

The Arbitrator considers the testimony of Mr. Schimmel and Mr. Devine, in-so-far as it was based on their projections of the effect of the proposed equipment and technological changes on the duties of the Operator position as it would evolve in performing duties on the AFCS 200, supports the resulting craft determination in favor of the Clerk Craft. The Arbitrator a sufficient basis to conclude that the change in equipment and technology on the AFCS Legacy, which changes resulted in the evolution of the Legacy into the AFCS 200, had a significant impact on the principal functions of the Operator position which had been performed by employees in the Mail Handler Craft on the Legacy machines. The Arbitrator finds that significant change in the duties, which were to be

performed by the Operator position on the AFCS 200 as a result of the 2012 equipment and technological changes, constitutes the predicate, under RI-399, Section II.E, for the USPS to have initiated an RI-399 craft determination proceeding for the existing Operator position.

The Arbitrator credits and finds persuasive the following testimony by Mr. Burns regarding comparisons of the AFCS Legacy and the AFCS 200 machines. Mr. Burns testified that, since 2015, he has worked as a Mail Processing Equipment Mechanic, Clerk Craft, at Cedar Rapids, Iowa, and that the AFCS 200s arrived at Cedar Rapids in August 2018. He testified that only Mail Handlers had been assigned as Operators on the Legacy machines and that Clerks were assigned as Operators on the AFCS 200s. Mr. Burns testified that he performed preventative maintenance on the AFCS 200. Mr. Burns testified, on direct, with respect to the operation of the AFCS legacy machines:

> . . . The legacy had a buffer feeder carriage on it, and the mail handler was stationed - - the mail handler operator was stationed - - the mail handler operator was a bid job, a level 5, they were stationed at that spot, and their job was to keep culling the mail to enhance the feeder buffer. It was - - it had a manual lever on it, but it was automatic. You could take it off of auto feed and push it back and keep the mail coming in, and was a good flow.
>
> That probably absorbed 80 percent of your time as an operator on the AFCSs to keep that mail tight and try to get the maximum throughput that you could. And then you would go over - - if you would hear the lights coming on the seven stackers you would go over and sweep the stackers off of there, but that - - you didn't spend much time over there. Your position - - you were domiciled at the feeder station.
>
> * * *

Mr. Burns added, on direct, with respect to the operation of the AFCS 200s:

> Well, the buffer feeder, the carriage is gone. It's been designed out, so that auto feeder position of it is enclosed. It's not even

accessible now. So it's kind of like, the legacy and the 200, the operator responsibilities have kind of flipped.

So now you're basically stationed - - the operator now is stationed at the stacker module, and your primary job is spring - - is sweeping those bins into the - - the tray cart, because you do not want that bin getting past 75 percent full on a 200, because that will slow the throughput of the machine down.

So what we're really working at is trying to - - as a mechanic, I'm trying to increase throughput, lessen at-risk mail and lessen jams. And that brings up the quality of the machine, and that is what I'm trying to do.

That's what the clerk is also trying to do by not getting full bins, by hitting the emergency stops, because that will stop the machine. The computer drops as many as 25 to 52 letters, and they will go into the reject bin, so - - and that increases our at risk. So what we're trying to do is - - is really bring the quality of the machine to a higher level.

* * *

There's two GEUs (sic) on the machine. One is at the - - at the manual feeder station, and the other one is the [sic] located at the stacker module so that the clerk can see - - can look at the footprint on the - - on the GEU. There's a program called the footprint screen, and then that will show with an X on that module as to where that jam, should one arise, is at, so they'll know immediately where to go to clean that jam up. So - - so this is part of the - - the improvement on the 200 is to have that GEU over that while the clerk is sweeping the mail stacker module.

* * *

Mr. Burns testified, with regard to the work at the Operator's station on the legacy machine as compared with the Operator's station on the AFCS 200, that, for the most part:

. . . Well, it went over to the stacker module now. I mean, it's just gone to the other side. It's kind of like the two machines reversed

responsibilities. It's like the mail handler operator was at that manual feeder carriage grooming that mail, culling it the entire time to keep up that throughput rate.

Whereas, now, that operator is domiciled at the stacker module, and that individual is making sure that those bins are swept to keep from hitting the 75 percent, which would slow - - that 75 percent slow bin, which would slow down the machine. So the responsibility has changed somewhat.

* * *

Mr. Burns testified, on direct, with regard to a comparison of technology and equipment on the legacy versus the AFCS 200:

. . . The two machines are not the - - they are not the same machine.

* * *

Well, because you - - you look at the machine and they look similar, but when you open the hoods, they're not. They're - - the technology is so much more advanced. They're a superior machine. You have the channel gates, standing light barriers. The - - the machine is - - it requires so much less maintenance and is so much more gentle on the mail that it doesn't intercept the mail. It diverts the mail, which brings down the jams.

The - - the switchbacks are pure genius. That is quite an innovation to take that letter in a nanosecond, pull it in, pull it back out and then invert it, and it really is quite - - quite impressive. So there is a huge difference.

* * *

Mr. Burns agreed, on direct, that the AFCS 200 has a "distribution function":

> Well, on the - - on the stacker module, we have - - the machine does all its business. It handles all the - - the OSS, the ISS, the - - the OCR [sic, RCR]. It handles all of that. But when it's done sorting the mail, three of our bins in Cedar Rapids, Iowa, are ready - - they've been distributed and they're ready for dispatch. So the clerk sweeps those bins. It goes into a tray.
>
> In our facility, the mail - - the clerk puts a loaded tray in the cart, and the mail handler just comes up and takes the AFC, the transport, you know, and they put an MTEL placard on it, and they dispatch it on a truck. So that's entirely different than what the - - the legacies had. They did not have that option. . . . It's gone. As soon as we get it done, it's out the door.

* * *

Mr. Burns, asked on direct by APWU whether he agreed with other testimony which asserted that the legacy and the AFCS 200 essentially were the same machine, responded:

> No, I don't. The legacy is a completely different machine. It - - it faces and cancels, but from that point forward, the cameras are different. The - - the cancellers are different. We just did an upgrade to a 256 model of canceller. So it functions - - it puts out a beautiful cancellation, more like an inkjet printer versus a canceller. So it does - - it does an excellent job. And we just - - we were one of the last in the country to get that, so - - to get that upgrade. So my knowledge is that the cancellers don't even. - - aren't even the same as the - - as the legacies to the 200s. They are completely different now.

* * *

Mr Burns testified, on direct by APWU, about the suggestion of not using all the capabilities that the 200 can do, that you just could skip over using them:

No. No. They - - we don't - - we do not have that capability to shut the - - to shut that off. We don't have the authority nor the capability.

We are directed on what to do on the machine. So say the - - say the clerk comes in and they're ready to - - we run our test deck. We do our preventative maintenance. We run our test deck. When we leave the machine, the load program - - the program to load is already - - we put it there. So all the clerk does is they come in and they click on 00 - - 004, and that's their run program. And so there's not a whole lot of responsibility to it. It's there. They just click on it and on it comes.

Now, after the run, as Ms. - - Ms. Randolph said - - she is correct. They do an end run, which stops the machine and - - on the program, stops the program, and then they go to - - they go to the run mode selection, and then they go to a - - it is reject processing, and it's a 007 program. And on the 007 program, they run their rejects. And then at that point, they hit end run also again, and the machine is stopped. And it's important that they do that; otherwise, the BDS, the BIO Detection System, stays alive and burns cartridges throughout the night. So it's imperative that they do the end run.

* * *

Mr. Burns testified, on direct, with regard to whether the Operator position on the legacy is the same as the Operator position on the AFCS 200:

Oh, no it's not the same job. It changed a lot. It changed a lot. It's just the complete opposite. It's the polar opposite of what it was. Instead of being at the feeder station and grooming that mail, you are now over at the sweeping - - at the stacker module sweeping. That's your - - that's your main responsibility is to sweep that machine.

* * *

Mr. Burns testified with regard to whether the work on the front end of the AFCS 200 was "designed out":

> Yes, it did. It enclosed the auto feeder. So the video that we saw is a little misleading, because you see the - - you see the individual standing at the feeder.
>
> And I - - I think Mr. Lerner's right. That's a kind of a Siemans promotional video, where they're - - because you've got this function that you can do and - - but the real - - the real work for the 200s is not there. It's - - it's at the stacker module.
>
> * * *

The Arbitrator finds, based on the above testimony by Mr. Devine, Mr. Schimmel and Mr. Burns, that the equipment added by the USPS in 2012 for the AFCS 200, as described above, changed the focus of the Operator's functions, from where it had been directed for much of a daily shift on the AFCS Legacy, i.e., "fine culling" mail near the loading area of the Legacy machine, to a location where the Operator is stationed on the AFCS 200, for much of the shift, near the opposite end next to the additional stacker bins which are located in order to perform the work related to the greater level of sortation on the AFCS 200. The Arbitrator finds that the effect of these equipment changes on the Operator position, met the test in Section II.E, for the "[a]ssignment of new or additional work, not previously existing in the installation," which, in turn, obligated the USPS to conduct a new craft determination proceeding under RI-399 to determine the proper craft to assign to the Operator position, as that position was revised by the equipment changes which resulted in the AFCS 200.

Issue II Re: The RI-399 Craft Determination for the Operator Position on the AFCS 200 In Favor of the Clerk Craft

The Arbitrator concludes, for the following reasons, that the NPMHU has not met its burden of demonstrating that the September 28, 2012, craft jurisdiction determination by the USPS for the Operator position on the AFCS 200 in favor of the Clerk Craft was arbitrary, capricious, unreasonable, based on improper considerations, or otherwise constituted an abuse of the USPS's discretion to make such determinations under the RI-399 Guidelines. The Arbitrator finds that the USPS appropriately based its craft determination for the Operator position on the information then available to it concerning the

equipment changes to the AFCS Legacy machine made in 2011-2012 and the effect of those changes on the Operator position. Accordingly, the claim by the NPMHU is denied that the craft determination by the USPS for the Operator position on the AFCS 200 in favor of the Mail Handler Craft should have been continued.

The Arbitrator notes the following portions of the USPS's Craft Determination Letter to the Unions, dated September 28, 2012, in which the Operator position on the AFCS 200 was issued to the Clerk Craft. The Arbitrator finds that the reasons set forth in this letter properly were based on the good faith understanding by the USPS officials, including Mr. Devine and Mr. Deane, of the significance of the known changes in equipment and technology which the USPS planned to be installed on the AFCS Legacy machines and the anticipated changes in the duties of the Operator position which thereafter would be performed on the revised AFCS 200 machines. The appropriateness of the USPS's action in conducting this craft determination for the Operator position, which position previously had been assigned to employees in the Mail Handler Craft, has been discussed above. The Arbitrator finds that the USPS acted appropriately insofar as it evaluated, in reaching the craft determination for the AFCS 200 machines in favor of the Clerk Craft, relevant considerations, including: the planned changes in the equipment and technology which were known at that time and the anticipated effects of these changes on the Operator position on the AFCS 200; the relevant craft assignments for comparable operations which are addressed in the RI-399 Guidelines; previous Jurisdictional Arbitration Decisions; existing rights under each Union's respective CBA.

The Arbitrator recognizes that there are several considerations involved which arguably support a contrary determination in favor of continuing the assignment to the Operator position on the AFCS 200 the Mail Handler Craft employees who performed that work on the AFCS Legacy machines. The Parties agreed that the AFCS 200 machines continued to have operations which perform work traditionally assigned to the Mail Handler Craft, as well as operations which traditionally were assigned to the Clerk Craft. In this regard, the Arbitrator notes that Mr. Schimmel testified, on cross, regarding changes made to the AFCS Legacy machine. He stated that the hopper, conveyor, chute, and the singular remained the same up to Unit 9 on the machine. According to Mr. Schimmel, the AFCS 200 was intended as a "replacement" for the legacy machine, with further enhancements and capabilities. It was intended by the USPS that the AFCS 200 was to be used to the same capacity as the legacy machine because "that is their function, that is their duty, that is their job. . . . There are functions in the AFCS 200 that were carried over from the legacy, meaning that there are cancel all

modes of the machine to where regardless of what you wish to try to - - try to run through the machine, it will apply a cancellation mark to every single mail piece that it sees. The legacy had that function as well. . . . There's also a function in the legacy called a video facing mode, where it will try to make a determination of the - - of the facing of the - - of the piece to the image and then work rudiment - - rudimentary and it work okay, but the AFCS 200 has that function as well. . . . I can tell you from a design standpoint and from an implementation standpoint, they include functionality that the legacy did into the 200 because it was a replacement piece of equipment."

The Arbitrator notes that the USPS determined that there was to be only one Operator position on the AFCS 200, as there had been only one Operator position on the AFCS Legacy machines. That staffing determination is not at issue in the instant craft determination proceeding. Given that there was to be only one Operator position per machine, that single position necessarily had to be assigned to an employee in one craft or the other. The Arbitrator finds that the balance struck by the USPS when it evaluated the functions to be performed by the Operator position, which evaluation the USPS conducted according to the relevant RI-399 considerations. The Arbitrator finds that the USPS reasonably determined, based on that evaluation, that the weight of those considerations favoring the Clerk Craft outweighed those favoring the continued assignment to the Mail Handler Craft, such that the award in favor of the Clerk Craft is found to have been appropriate. In the Arbitrator's judgment, the USPS exercised its discretion under RI-399 to make this craft determination in a fair and reasonable manner, properly based on the appropriate considerations.

The Arbitrator is not persuaded that the USPS, in making the craft determination for the Operator position on the AFCS 200 in favor of the Clerk Craft, acted in a manner which was unreasonable, arbitrary, capricious, based on improper and/or discriminatory considerations, or otherwise has been shown to have acted in a manner which constituted an abuse of the USPS's authority to make a craft determination pursuant to the RI-399 Guides. For these reasons, and based on the considerations discussed below, the Arbitrator finds that the craft determination made by the USPS in 2012 for the Operator position on the AFCS 200 in favor of the Clerk Craft was proper. Accordingly, the NPMHU's challenge thereto is denied.

<u>The USPS's RI-399 Craft</u>
<u>Determination for the Operator</u>
<u>Position on the AFCS 200 in</u>

Favor of the Clerk Craft.
Dated September 28, 2012

The Arbitrator notes that the USPS's letter, dated September 28, 2012, set forth the following reasons for the craft determination for the Operator position on the AFCS 200 in favor of the Clerk Craft:

> The AFCS 200 will perform the same functions as the legacy system while also providing significant additional capabilities. Some components of the legacy AFCS that cull and singular mail are being reused on the AFCS 200. Existing doubles detectors and inkjet cancellers will also be reused on the AFCS 200. *The remainder of the machine is completely replaced. The system enhancements illustrated below are significant and represent a complete change in the performance and service of the AFCS*.
>
> * **Upgraded Transport System** - The AFCS 200 can process thicker mail (up to 5/16"), moving the mail from mechanized and manual operations into automation. Also, the new reverter faces mail into a single orientation.
>
> * **Two-Tier Stacker Module** - The existing AFCS has seven output stackers. *The AFCS 200 includes a two-tier output stacker configuration consisting of 12 stackers. These additional bins increase depth-of-sort capabilities*.
>
> * **POSTNET Barcode Printer** - *A new printer improves process flow and reduces downstream handlings. The AFCS 200 sprays a POSTNET barcode on mail pieces it encodes, thus allowing this mail to bypass the Output Subsystem (OSS) and be sorted directly on the Delivery Barcode Sorter (DBCS)*.
>
> * **New ICS Reader** - *The latest version of Identification Code Sort (ICS) reader provides improved identification (ID) tag verification rates*. The error rate on sprayed ID tags is expected to be about 1.5 percent of about 50 percent lower than that of the existing AFCS reader, *improving sortation on the AFCS 200 and reducing downstream automation handlings.*
>
> Some of the benefits expected from these enhancements include:

* Greater Depth-of-Sort - *The combination of stackers (12 versus 7) and a new reverter that faces mail in a single instead of two orientations (which frees up three existing stacker) provides eight extra stackers to meet additional sorting needs*.

* Cross-Utilization Opportunity - The AFCS 200 can be used as a stand-alone OCR or backup Input Subsystem (ISS) machine to encode, or lift images, and apply the corresponding POSTNET barcodes.

Additionally, the Postal Service intends to modify the induction process used to enter letter mail on the AFCS 200 machines. This image processing flow modification will stop the image capture of mail pieces when the address cannot be determined at the AFCS 200. The mail piece will flow to the Delivery Barcode Sorter (DBCS) Input/ Output Subsystem (DIOSS) machine first. *This will significantly reduce the need to send images to the Remote Encoding Center (REC) for an operator to determine the address on the mail piece to the extent possible. This change will add significant value to the depth of coding, manual flow and time to clear the outgoing process.*

The staffing of the AFCS 200 consists of a single operator who is capable of performing the AFCS 200 core functions of culling, prepping mail, jogging, and grooming the mail, in addition to the feed and sweep duties.

After reviewing the equipment operation, carefully consider the input from the American Postal Workers Union, AFL-CIO and the National Postal Mail Handlers Union, and applying the principles of RI-399, the Postal Service has determined that on the AFCS 200, the duties performed by the operator are similar to the duties performed by a Mail Processing Clerk. Accordingly, the primary craft for the operator position on the AFCS 200 is the Clerk Craft. The primary craft for the induction activities on the AFCS 200 will continue to be the Mail Handler Craft.
[Emphasis supplied.]

* * *

Mr. Schimmel's Testimony
Re: The Six Bullet-Points In

The Craft Determination Letter

Mr. Schimmel testified regarding the equipment described in the six bulleted points raised in the USPS's Jurisdictional Determination letter, dated September 28, 2012 (Mr. Schimmel did not participate in the drafting of this letter):

> "Upgraded Transport System" The legacy machine could process only stamp lead and stamp trail, but "the reverter allows the AFCS 200 or enables the AFCS 200 to face all mail as you would normally see it, a stamp in the upper right-hand corner and the address vertically." He added, "that's an important function that allows the machine to function like a DIOSS from that standpoint, where it does the OCR or does the facing, and then it allows the mail pieces to go directly from that machine to another plant and be distributed outside of the machine." According to Mr. Schimmel, the legacy machine was not capable of doing that, "So the reverter took out a lot of the operational flow, a fair amount of operational flow, to a subsequent handling machine for - - for getting in the mail in the proper orientation."
>
> "Two-Tier Stacker Module" According to Mr. Schimmel, "the ability to segment and dynamically allocate the - - the number of bins that are available to the AFCS 200 versus the legacy machine are - - are dramatic. The legacy only had the four segments that you could take advantage of in order to sort the mail; whereas, the 200 allows for a full 12 segments to be able to allocate from an operational standpoint the information that you want into the bins." Mr. Schimmel testified that, on the legacy machine, the operator selects the mode for the machine "via these little pinwheels, whether or not you're in a maintenance mode or you're in a cancel all mode or whatever mode. It's very simplified, the type of interfacing." Mr. Schimmel contrasted this with the AFCS 200 on which the operator can use "the graphical user interface, which was described in the video, to go in and select a defined sort plan - - first of all, you have to select the mode in which you want to run the machine. So if you want to run in a normal - - what we call an ISS or input subsystem processing mode, you select that mode first, and then under that mode you can have a multitude of sort plans depending upon what operations wants. . . . So you can have five, six, seven, eight, 12 different sort plans depending

upon the operational needs at the time. That's very similar to what's on a DBCS or DIOSS of a CIOSS in which you select the made that you want to run in, and then from that mode you select the sort plan you choose to run underneath that mode. The legacy did not have that function. You - - you had the pinwheels, and that's how you selected your sort plan."

"POSTNET Barcode Printer" The legacy machine did not print the POSTNET or sort code/bar code, it only printed an ID tag." The AFCS 200 is comparable in this respect to the OSS or DIOSS machine, in that it can print the bar code on the front of the mail piece, without having to send the mail piece to an OSS or DIOSS machine. The bar code is necessary "for delivery point sequencing, which is what the DBCS - - what the main function of the DBCS is. So the DBCS did not have any OCR capabilities. . . . So in order for the DBCS to adequately sort the mail pieces, it must have a bar code on it. *So the 200, with the addition of this bar code printer, meant that the mail coming off of the 200 could go straight to a DBCS and be sorted or even in delivery point sequenced if the - - if the operations sort plan and flows were set up in such a way*." [Emphasis supplied.]

"New ICS Reader" Mr. Schimmel testified: ". . . what the ICS reader allows us to do - - the additional ICS reader - - is when a mail piece is processed and the image is picked up - - we all get the - - the realtor postcards in the mail. Those are usually really busy from an image standpoint . . . there's a lot of data and a lot of information on there, usually a lot of text and numbers . . . . We - - when we take that image and send it off to a computing system for a resolution, that computing system has to take all of that information into account and then try to find the address and then resolve the address. . . . So when that . . . local computing system isn't able to do that, then that piece is sent to - - the image is sent to the remote encoding center, where a human looks at that piece and then keys in the address. But the information that goes from . . . the machine itself that processed the piece of - - the image of that mail piece is also the ID tag."

And this is what the ID tag is used for: So the ID tag is passed off to the remote encoding center for resolution. Once the DCO or the keyer at the - - at the REC resolves that mail piece, the resolution of the mail process, the - - one, two, three, four, five, six, seven, eight, nine - - the nine-digit zip, then gets associated in data to that ID tag.

Then that information is then distributed to the appropriate processing facility that need that information. Usually it goes back to the same facility that processed that mail piece.

What happens on the subsequent handling of that piece after the remote encoding center has reviewed and - - coded that piece, when that mail piece is sent to the OSS, the OSS or the DIOSS reads that ID tag and does a lookup in a database to say, I see this ID tag, this license plate for this mail piece. Do you have any information about it? And if the process has - - has gone properly, the - - the result from the remote encoding center will be in that database, and the database will respond to that OSS or that - - that DIOSS if I have this resolution or I have this - - the ZIP code.

On the AFCS machine, the additional ICS reader that we put in reduced the amount of errors of the ID tags, which meant we reduced the amount of rehandlings of mail pieces for the downstream, but the - - the placement of the cameras, the imaging system, also meant that we did not need to rely on ID tags because we're also resolving to the POSTNET, so that's - - that's where that comes in. [Emphasis supplied.]

* * *

Testimony of Mr. Devine
Re: The USPS's Reasons
For the Craft Determination
In Favor of the Clerk Craft
For the Operator Position
On the AFCS 200

The Arbitrator notes that Mr. Devine testified, as follows with regard to the 2012 Craft Determination letter sent to each Union. In the Craft Determination letter, as quoted above, the USPS set forth the bases for the determination in favor of the Clerk Craft. Mr. Devine testified, for example, concerning the statement in the letter: "The system enhancements illustrated below are significant and represent a complete change in the performance and service of the AFCS.":

. . . what happened here is you had an increase of stackers from 7 to 12, and as it points out - - I believe it's on the next page - - there's

actually an addition of eight additional stackers, which - - it's on the - - in the greater depth-of-sort portion there.

And what that means is that this machine is now capable of performing distribution to eight additional - - eight specific places that could be culled out in these stackers, and as Todd [Mr. Schimmel] explained *could be used for the processing of those places*. [Emphasis supplied.]

So at that point, it was clear that it went beyond - - you may recall Bruce's [Mr. Lerner of NPMHU] cross-examination of the APWU witness about local out-of-town splits. *So it was clear that by having these eight stackers, we were now looking at going way beyond local out-of-town splits and that this machine was actually performing distribution.* [Emphasis supplied.]

. . . When I was referring to the 12, I was referring to the outputs. So you - - . . . a total of eight outputs that you could now use beyond your rejects and your local mail, the things we had previously used this for.

* * *

The Arbitrator notes that Mr. Devine testified, on cross, with regard to the addition to the AFCS 200 of the new reverter and the increase from seven stackers to 12 stackers - which changes resulted in an increase of eight additional outputs/stackers being available - that these considerations were set forth on the second page of the USPS's Craft Determination letter under "greater depth-of-sort." The Arbitrator finds significant Mr. Devine's testimony, on direct, that *the fact that the AFCS 200 has the ability to sort in greater depth was the key factor of the USPS in its determination to change the Operator position to the Clerk craft.* The Arbitrator notes that Mr. Devine testified, on cross, with respect to the reasons for the USPS's 2012 Craft Determination, that *their basic point of view was that because the AFCS 200 had available eight additional sortations, the AFCS 200 was performing some sortation that had become more like distribution.* Mr. Devine added, ". . . *And you could change the sort plan on the machine to reflect that."* [Emphasis supplied.]

The Arbitrator notes the following as consistent with the USPS's craft determination, but not known to the USPS at the time and not part of the

basis for the determination, Mr. Devine's statement that the USPS subsequently found, after the AFCS 200 had begun operations, that the camera took an image which it sent to a Remote Encoding Center [REC], where Clerks inputted information into keyboards. Mr; Devine stated that, ". . . *even if that had been known at the time the determination was made, the determination would have been the same because . . . that's distribution*." [Emphasis supplied.].

The LMLM Jurisdiction Arbitration

The Arbitrator finds persuasive Mr. Devine's testimony concerning the USPS's assertion that taking an image of a piece of mail, which then is sent electronically to an off-site location, is part and parcel of distribution, a position which, Mr. Devine asserted, previously had been considered by this Arbitrator in the LMLM case. The Arbitrator agrees with Mr. Devine's testimony, on cross-examination, that he did not agree that the Arbitrator's LMLM determination had been based primarily on the consideration that it was more efficient to use Clerks, who were bringing the mail and actively engaged around the LMLM machine, to do the labeling machine work. The Arbitrator agrees with Mr. Devine's position with regard to the basis for the finding that the LMLM determination had been appropriate: "*But more importantly, it was part of the distribution function and not simply mail preparation. That's the difference*." [Emphasis supplied.].

The Arbitrator notes that Mr. Devine agreed with the NPMHU that the LMLM was not in the mail preparation unit but, rather, was in the distribution section of the facility. Mr. Devine acknowledged that the AFCS 200 is in the mail preparation section, near the loading docks, and that it could be that the mail going into the machine mostly is raw or collection mail. He agreed that the first thing that the USPS does to mail - in the 010 operation in RI-399 - is to face it and cancel it, which are Mail Handler Craft functions. Mr. Devine agreed that the situation in the instant case, insofar as it involves the AFCS 200 being located in the mail handling section of a facility, presents a different situation than the presence of the LMLM in the distribution section of a facility. Mr. Devine agreed that the "efficient and effective" argument, which was argued by the USPS in the LMLM case, is not available in the same way in this case, insofar as the AFCS 200 machine is located in the mail preparation unit. The Arbitrator agrees with Mr. Devine's observations concerning the differences between the circumstances involved in the instant case versus those involved in the

LMLM case. The Arbitrator finds that the location of the AFCS 200 near the loading docks is a consideration in favor of the Mail Handler Craft. The Arbitrator finds that, on balance, the USPS relied upon sufficient appropriate considerations, as discussed herein, which were found by the USPS to weigh in favor of the Clerk Craft, to support the USPS's craft determination for the Operator position in favor of the Clerk Craft.

The Reverter

The Arbitrator notes, and finds significant, Mr. Devine's testimony that the addition of the reverter to the AFCS 200 eliminated the need to fill two of the stackers with mail that had different orientations and instead resulted in the filling of only one of the stackers by facing mail in a single orientation. Mr. Devine testified that the new reverter freed three existing stackers, so that it provided eight additional sorting needs. The Arbitrator notes Mr. Devine's assertion, on cross-examination, that the reverter allows the machine to face the mail in one direction, rather than the two directions that resulted with legacy machine. Mr. Devine acknowledged that facing the mail in one direction, rather than two, constitutes traditional facing of mail as mail preparation, which traditionally is a Mail Handler function. The Arbitrator recognizes that this aspect of the mail preparation function is one of those factors on the AFCS 200 which favors the Mail Handler Craft, but concludes that the USPS reasonably struck the balance in favor of the Clerk Craft insofar as it considered the other new functions and capabilities of the AFCS 200, noted herein, to be more significant in the determination of which of the two crafts to award the Operator position.

Increased Process Flow
Reduced Downstream Handling

The Arbitrator notes Mr. Devine's testimony, with regard to the requirement for taking efficiency into account in making the craft determination, that ". . . *the end result was that we were going to be improving the process flow, and more importantly, reducing the downstream handling. . . Those downstream handlings, as we all know, were performed by clerks on the OSS and on the Delivery Bar Code Sorter, so that - - that was a significant portion of the determination as well. . . . So now you had something being captured on the AFCS instead of downstream*." [Emphasis supplied.] The Arbitrator notes that, although the location of the AFCS 200

in the loading dock area was a consideration in favor of the Mail Handler Craft, in terms of efficiency of the operation, the USPS's consideration of the improvement of the "process flow," as described by Mr. Devine, also constitutes an efficiency factor in favor of the Clerk Craft. See also the following discussion by Mr. Devine concerning the additional increased operational efficiency based on "Cross-Utilization Opportunity."

Cross-Utilization Opportunity

The Arbitrator also notes Mr. Devine's testimony and finds it significant in terms of improving the efficiency of the operation, about "cross-utilization opportunity":

> . . . we heard Todd [Mr. Schimmel] talk about that, where you're using the - - the machine as a standalone OCR, and he was talking there about using the utility - - utility - - processing the utility bills.
>
> And if you recall the - - the diagram, you had that - - that ledge, which, by the way, is exactly designed the same as the ledge that clerks load mail onto the Delivery Bar Code Sorter. So the - - *the opportunity there was you could run this through and . . . eliminating a standalone OCR or ISS.* [Emphasis supplied.]

* * *

Recognition of Stamp/Postage Value

The Arbitrator notes and finds significant Mr. Devine's testimony with regard to those enhancements on the AFCS 200 which allowed it to recognize the value of a stamp or postage versus the more limited capability of the legacy machines, which could detect only the presence of a stamp or postage. Mr. Devine testified:

> . . . that's important, because as we were fumbling through the text of RI-399 earlier, *the . . . machine could recognize not only that it was - - a particular letter piece was short postage, but also be able to determine how much it was short*. [Emphasis supplied.]

* * *

The Arbitrator notes that Mr. Devine testified, on cross, with regard to whether the USPS had relied on, as another important factor in the 2012 Craft Determination, the recognition by the AFCS 200 of whether a piece of mail was short postage, in fact had been one of the considerations relied upon by the USPS, since that consideration had not been mentioned in the determination letter. The Arbitrator recognizes that Mr. Devine conceded , on cross, that he could not recall whether he had been aware of that consideration at the time the determination letter was prepared, which could be a reason why that consideration was not included in that Craft Determination letter. The Arbitrator notes also that Mr. Devine subsequently testified, on redirect, that, in the March 24, 2011, USPS letter which had sent to both Unions, concerning the USPS's intent to deploy the AFCS 200, that there would be a "*stamps database that will improve revenue protection by detecting invalid or insufficient postage*". [Emphasis supplied.] The Arbitrator notes that Mr. Devine agreed that he had refreshed his memory that he had been aware at the time about the short-postage feature of the AFCS 200. Mr. Devine testified in this regard: "In 2011, I was aware of it and probably should have included that in the jurisdictional craft determination letter. " Mr. Devine agreed that, in the Power Point presentation of the AFCS 200 at the Tech Mech meeting in 2011 [discussed further below], there had been a reference to postage identification as a feature of the AFCS 200: ". . . Ability to sort no postage and short paid postage." The Arbitrator also notes that Mr. Devine agreed, on re-cross, that the AFCS legacy had the ability to sort "no postage," but added that the difference between the legacy and the AFCS 200 was the latter's ability also to sort "short paid postage." The Arbitrator finds, based on the above, that the USPS relied on this consideration in its determination in favor of the Clerk Craft.

Mr. Devine, on re-direct examination by USPS, agreed that, although he had not participated in the AFCS 200 site visit, the above-discussed features were noted in the Craft Determination position statements submitted by the APWU and by the NPMHU which he had considered before the determination in favor of the Clerk Craft was made.

In the Arbitrator's judgment, these explanations by Mr. Devine provide an appropriate basis for the Arbitrator to conclude that the USPS, as of the time it made the determination in favor of the Clerk Craft, had considered and had relied on the AFCS 200's ability to determine short postage. The Arbitrator notes that Mr. Devine testified that he considered, under the RI-399 Guides, Operation 010, Function 10 [see discussion

below], to constitute a Clerk Craft function and that the USPS made the determination for the Operator position in favor of the Clerk Craft in part on that basis.

Mr. Devine testified, on re-cross, about the term "sortation," that it is not a sortation unless you define it to mean the same as culling or separating. Mr. Devine testified that the word "sort" in the Power Point presentation made on the AFCS 200 in March 2011 did not suggest that this constituted "distribution". Mr. Devine agreed, on re-cross, with regard to RI-399, Operation 010, Function 10, that *what the AFCS 200 is doing concerning "short postage" is identifying letter mail that either has no postage or short postage and that the identification of such mail means that that mail can be "sorted" or separated out from the rest of the mail, so that Function 10, which primarily has been assigned to the Clerk Craft. Therefore, this is not "sorting" short mail but, rather, constitutes rating and canceling such mail after the proper postage has been determined.* Mr. Devine agreed that once it has been determined by the machine how much the mail is short, the employee who works on that mail would be provided that information and would have the job of reporting it or rating it. Mr. Devine agreed that, as a general rule, "revenue protection" in the USPS is the responsibility of all employees.

<u>Loading the Sort Code</u>

The Arbitrator notes Mr. Devine's testimony, with regard to loading the sort code on the AFCS 200, that it is entered at the GUI. Mr. Devine noted, with regard to the Job Description for the Mail Processing Clerk positiont: ". . . under number 2 for the duties that they perform, you see loads mail, culling out non-processable items, enters sort plan and starts equipment. . . . So ordinarily, when you have the entry of the sort plan, whether it's the operator themselves designating which sort plan or under the direction of the supervisor, that's part and parcel of the mail processing clerk's job duties right there under number 2."

Mr. Devine, on cross-examination by NPMHU, agreed that he had stated on direct, that the entry of a sort plan was listed in the Mail Processing Clerk's Job Description. He also acknowledged that the entry of a sort plan was part of the duties of the Mail Handler on the legacy machines. Mr. Devine testified that, in 2012, he did not know the distinction of the change in entering the sort plan was from a combination

lock type device to a computer screen and keyboard. Mr. Devine stated that he was not aware whether the USPS, when it first introduced the AFCS legacy machines in the early 1990s, had determined that entering sort plans primarily was Mail Handler work. Mr. Devine agreed that, at the time that the determination was made in 2012 to assign this work to Clerks on the AFCS 200, that in all prior years the work of entering sort plans primarily had been assigned to the Mail Handler Craft. In the Arbitrator's judgment, this function also properly should be weighed in favor of the Mail Handler Craft but, for the reasons stated, the USPS is found reasonably to have concluded that the factors weighing in favor of the Clerk Craft outweighed those favoring the Mail Handler Craft.

Tray Labeling

Mr. Devine testified, with regard to tray labeling: ". . . that appears elsewhere. I believe it's somewhere in the text of 399, but that's generally clerk work as well."

Printing the Bar Code Onto
The Envelope

The Arbitrator notes Mr. Devine's testimony, on cross-examination by NPMHU, with respect to the AFCS 200 having the ability to print the bar code or other information onto the envelope, as set forth in the third bullet point of the USPS's Craft Determination letter of September 2012, that the printer reduced the downstream handlings. Mr. Devine agreed that, in a substantial number of situations, the information printed results from something that happens away from the AFCS 200. Mr. Devine agreed that, as stated in that letter, by spraying a POSTNET bar code on mail pieces by the AFCS 200, it allows this mail to bypass the output subsystem [OSS], and to be sorted directly under the Delivery Bar Code Sorter [DBCS]. The Arbitrator finds that this change in the operation also increases the efficiency of the AFCS 200.

Mr. Schimmel's Testimony Re:
The Relation of the AFCS 200
to the AFCS Legacy
The OCR AFCS Legacy -

180-millisecond Delay
V. AFCS 200 2.5-second Delay

The Arbitrator notes Mr. Schimmel's testimony that one of the most important and significant changes made to the AFCS Legacy machine when it was converted to the AFCS 200 in 2011-2012 involved the increase of the time of resolution by the OCR camera system from a 180-millisecond delay to resolve each mail piece in the AFCS Legacy to a 2.5-second delay per mail piece in the AFCS 200. According to Mr. Schimmel:

> *So the - - the legacy machine, the camera system that gathered the image was right at the end, and it had 180 milliseconds to resolve that piece whether or not it was local or outgoing. The FIM detectors were further in - - earlier in the - - in the processing on the legacy, but the - - the sortation based upon local or outgoing was only a 180-millisecond delay. There's a big difference, 180 million seconds [sic, milliseconds], to two-and-a-half seconds from - - from a computing processing time. That's a massive difference.* So it gave us a lot of time to do a resolution on those mail pieces to get the sort code on those - - on those - - on the pieces on the 200. [Emphasis supplied.]
>
> It's very similar to the DIOSS machine, which stands for DBCS - - it's another acronym. It's an acronym within an acronym. So if you aren't familiar, the DBCS is the Delivery Bar Code Sorter, and the the IOSS stands for input/output system. *And what the DIOSS does, which is similar to what the ISS on the legacy processing did - - we still have a couple of of OSSs left, is it does the OCR of mail pieces that are entered into the plant, the processing plant.* [Emphasis supplied.]

* * *

The Arbitrator notes - but does not find supportive of the decision herein because it relates to information which was not known to, and thus not taken into consideration by, the USPS officials who made the craft determination - that Mr. Schimmel was asked, on cross, whether he had heard that a Plant Manager had told the USPS, when the AFCS 200 was installed, that they really did not need this new equipment. Mr. Schimmel responded that, to the contrary, ". . . I have heard directly from plant managers that they are very welcome that the AFCS 200 came and that it improved their processing of flow by then being able to dispatch through

local plants that are nearby." Asked whether he had heard of plants, at which the AFCS 200 had been installed, not utilizing the functions of the AFCS 200 and indicated that they could have continued using the legacy machines. Mr. Schimmel testified that the sort plans are defined by "FUIS, which is at - - at a more headquarters operations level that are defined that local sites give input for the different sort - - sort segmentations. . . . This is where the ZIP range elements start to come into play for the local sites to be able to define their - - what is local and what the ZIP ranges for the different pockets are. This is very similar - - we use FUIS for the DIOSS and the CIOSS and the DBCSs. It's very similar to that function. . . . For a local site or for a site to be *using the - - the AFCS 200 as a legacy machine goes against what the design of the machine was intended for to do for - - based upon the sort plans*. *So the local site would have to custom make and replace that .stf file that I was referring to in order for them to dumb down the machine, the function of the legacy. So they . . . would have to hack the machine.*" [Emphasis supplied.] According to Mr. Schimmel's testimony, on cross, at locations at which a legacy machine remains in service after the installation of an AFCS 200, the "co-located sites, *those sites had to get permission - - permission from headquarters operations in order for them to enable those machines. They were told not to turn them on, the legacies*." [Emphasis supplied.]

The Arbitrator finds, in light of the above considerations, that the USPS's craft determination in 2012, for the Operator position on the AFCS 200, in favor of the Clerk Craft, reasonably was based on appropriate considerations, including the information known to the USPS officials at the time, and was consistent with the RI-399 Guidelines, previous Jurisdictional Arbitration Awards, and the Parties' respective CBAs. The Arbitrator is not persuaded that it has been demonstrated by the NPMHU that this craft determination was arbitrary, capricious, unreasonable, based on discriminatory or other improper considerations, or otherwise was contrary to the USPS's exercise of discretion to make such determinations under the RI-399 Guidelines. Accordingly, the claim that the craft determination for the Operator position in favor of the Clerk Craft is denied.

The Arbitrator's Conclusion

The Arbitrator, for the reasons set forth in the above Opinion, denies the following claims: the claim by the APWU that the USPS improperly made the

craft determinations in favor of the Mail Handler Craft regarding the Operator positions on the AFCS Legacy machines as well as for the employees performing the loading and unloading of mail; the claim by the NPMHU that the USPS improperly made the craft determination in 2012 in favor of the Clerk Craft for the Operator on the AFCS 200 machines; the claim by the APWU that the USPS improperly continued in 2012 the assignment of the other positions on the AFCS 200 machines to perform loading and unloading functions, to the Mail Handler Craft.

AWARD

The Arbitrator, for the reasons set forth in the above Opinion, denies the following claims: the claim byAPWU that the USPS improperly made the craft determinations in favor of the Mail Handler Craft regarding the Operator positions on the AFCS Legacy machines as well as for the employees performing the loading and unloading of mail; the claim by the NPMHU that the USPS improperly made the craft determination in 2012 in favor of the Clerk Craft for the Operator on the AFCS 200 machines; the claim by the APWU that the USPS improperly continued in 2012 the assignment of the other positions on the AFCS 200 machines to perform loading and unloading functions, to the Mail Handler Craft.

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Joseph M. Sharnoff, Arbitrator
National Jurisdictional Disputes

Dated: January 31, 2022
Oakton, Virginia