

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

SERVICE PERFORMANCE MEASUREMENT
SYSTEMS FOR MARKET DOMINANT PRODUCTS

Docket No. PI2015-1

**REPLY COMMENTS OF
THE NATIONAL POSTAL POLICY COUNCIL**
(May 5, 2015)

The National Postal Policy Council (“NPPC”)¹ respectfully submits these reply comments on the Postal Service’s proposal to change to new internal service performance measurement systems.

NPPC believe that any postal service measurement system should:

1. Be transparent, objective, unbiased, and effective; and
2. Produce results that may legitimately be compared to results under the current system on an apples-to-apples basis.

NPPC is interested in the proposed changes insofar as they would affect both Presort and Single-Piece First Class Mail. Although the great majority of NPPC members’ mailings travel at Presort rates, NPPC members send a substantial amount of residual mail at Single-Piece rates. Timely delivery of the residual pieces is as important as timely delivery of Presort pieces, and NPPC believes that both products should be monitored by service performance measurement systems that are clearly

¹ The National Postal Policy Council is an association of large business users of letter mail, primarily Bulk First-Class Mail using the Automation rate category, with member companies from the telecommunications, banking and financial services, insurance, and mail services industries. Comprised of 39 of the largest customers of the Postal Service with aggregated mailings of nearly 30 billion pieces and pivotal suppliers, NPPC supports a robust postal system as a key to its members’ business success and to the health of the economy generally.

understood, sufficiently transparent to enable verification, and not subject to bias. NPPC urges the Commission to ensure that whatever service performance system emerges from this proceeding satisfies these fundamental principles.

Second, assuming that the Commission approves any changes to the current performance methodologies, it is important that any new system incorporate the ability for meaningful comparison to the current system. Absent such a capability for meaningful comparison, and evidence thereof, any new system would be essentially meaningless for its first year or two, because there would be no way to know whether different results reflected different actual performance or merely were due to the new counting system. For example, if a new system were to show “improved” or “declining” results, mailers and the Commission would want to know whether the results reflected actual service improvement or reductions, or were merely a product of the new way of measuring performance. And, even though the results of a new system could be compared to other years measured by the same new methodology, absent effective comparability, that new system could provide no basis for comparisons to historical performance.

Accordingly, NPPC suggests that if the Commission approves any new system, it should require the Postal Service to operate the new system concurrently with the current system for a period of time sufficient to assess whether the two systems achieve the same measurements. If the two systems were found to produce different results, the concurrent operation would allow the Commission and Postal Service to identify the amount of variation, which in turn could be taken into account when

comparing service performance from year to year. Changes in service performance should reflect actual changes in delivery service, and not merely moving the goalposts.

For the foregoing reasons, the National Postal Policy Council respectfully urges the Commission to take these Reply Comments into consideration in considering whether to approve the Postal Service's proposals to convert to internal service performance measurement systems.

Respectfully submitted,

NATIONAL POSTAL POLICY COUNCIL

Arthur B. Sackler
Executive Director
NATIONAL POSTAL POLICY COUNCIL
1101 17th Street NW
Suite 1220
Washington DC 20036
(202) 955-0097

By: /s/ William B. Baker
William B. Baker
POTOMAC LAW GROUP, PLLC
1300 Pennsylvania Avenue, N.W.
Suite 700
Washington, DC 20004
(571) 317-1922