

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Temporary Waivers from Periodic )  
Reporting of Service Performance )  
Measurement )

Docket No. RM2011-1

**VALPAK DIRECT MARKETING SYSTEMS, INC. AND  
VALPAK DEALERS' ASSOCIATION, INC.  
INITIAL COMMENTS REGARDING TEMPORARY WAIVERS  
FROM PERIODIC REPORTING OF SERVICE PERFORMANCE MEASUREMENT  
(November 24, 2010)**

On October 1, 2010, the Postal Service filed a request for temporary waiver from certain service reporting requirements for Standard Mail, *inter alia*. Commission Order No. 552 established Docket No. RM2011-1 to consider the Postal Service's Request. Commission Order No. 580 scheduled a technical conference on Wednesday, November 17, 2010, which counsel for Valpak attended. The Commission issued Order No. 587 extending the date for initial comments to November 24, 2010. Valpak Direct Marketing Systems, Inc., and Valpak Dealers' Association, Inc. (hereafter "Valpak") hereby submit these joint comments in response to Order No. 587.

**A. Any Waiver Should Not Extend beyond the End of FY 2011.**

The Postal Service request explains that many pieces of Standard Mail eligible for performance measurement lack the requisite level of detail to categorize them into a product category group. For that reason, it "does not expect to be able to comply fully with the product- and sub-product-level service performance reporting requirements for Standard Mail until 2012 at the earliest." Request at 7. Accordingly, the Postal Service requests a waiver for detailed product level reporting until 2012, or apparently beyond 2012 under certain

circumstances. The PAEA requirement of 39 U.S.C. section 3652 was enacted on December 20, 2006, and the Commission's rules were promulgated on May 25, 2010 (Order No. 465). Although the Postal Service has explained why full reporting compliance by FY 2012 may be difficult, the Commission should not grant any indefinite waiver of service performance reporting under its rules. Valpak would urge that any temporary waiver granted at this time not extend beyond the end of FY 2011. If the Postal Service should need a further waiver beyond FY 2011, it could seek it from the Commission next year, explaining its progress in service reporting and detailing the specific reasons necessitating any requested waiver.

**B. All On-time Performance Reports for Standard Mail Should be Accompanied by a Variance Report.**

The Postal Service's request indicated that interim reporting for Standard Mail would include on-time performance data for (i) Destination Entry and (ii) End-to-End, and the Postal Service response to Chairman's Information Request No. 1, Question 6, made no reference to reporting on service variance. (The ChIR was likewise silent on variance reporting.) The Postal Service's omission of any reference to service variance has raised a question as to whether there would be reporting on variance. However, at the technical conference, in response to a question from Valpak, the Postal Service advised that it would provide the required variance information as well. It is suggested that the Commission's decision on the Postal Service's request be clear that there be no waiver of the requirement to report on variance.

Respectfully submitted,

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