

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Robert G. Taub, Acting Chairman;
Tony Hammond, Vice Chairman;
Mark Acton;
Ruth Y. Goldway; and
Nanci E. Langley

Service Performance Measurement
Systems For Market Dominant Products

Docket No. PI2015-1

NOTICE OF REQUEST FOR COMMENTS AND SCHEDULING OF TECHNICAL
CONFERENCE CONCERNING SERVICE PERFORMANCE MEASUREMENT
SYSTEMS FOR MARKET DOMINANT PRODUCTS

(Issued January 29, 2015)

On October 17, 2014, the Postal Service began discussions with the Commission on proposals to develop new internal service performance measurement systems for several of its market dominant products, including products within domestic First-Class Mail, Periodicals, Standard Mail and Package Services.¹ Service performance, for the products under consideration, are currently measured using either external, or hybrid (combined internal and external), measurement systems.²

¹ "Internal" service performance measurement systems are under the direct control of the Postal Service. "External" service performance measurement systems are under the direct control of an independent third party.

² See Docket No. PI2008-1, Order No. 140, Order Concerning Proposals for Internal Service Standards Measurement Systems, November 25, 2008, 73 Fed. Reg. 73664, 73679 (2008).

For reporting service performance to the Commission, service performance must be measured by an objective external performance measurement system unless the Commission approves the use of an internal measurement system. See 39 U.S.C. 3691(b)(1)(D) and (b)(2). This docket will consider a Postal Service request for the Commission to approve newly proposed internal service performance measurement systems for product level reporting within domestic First-Class Mail, Periodicals, Standard Mail and Package Services.

The Postal Service's proposals are outlined in United States Postal Service, Service Performance Measurement, January 2015, which is concomitantly being filed as Library Reference PRC-LR-PI2015-1/1. The proposals would change at least two aspects of service performance measurement. First, the External First-Class system used for measuring single-piece First-Class Mail service performance would be replaced by a measurement system internal to the Postal Service. Second, the external reporters that are used to develop the last mile factors for all hybrid measurement systems for developing reports within First-Class Mail, Periodicals, Standard Mail and Package Services would be replaced by mail carrier scans at delivery. If the proposals are approved by the Commission, the Postal Service intends to report service performance using the new measurement systems beginning FY 2016.³

The Commission's role under section 3691 of title 39 is to consult with the Postal Service concerning the establishment of service standards for market dominant products. Given its obligations under the Postal Accountability Enhancement Act (PAEA) and the Postal Service's proposals, the Commission is initiating this docket to solicit public comment on the Postal Service's proposed service performance measurement systems.

³ For compliance purposes, the Postal Service reports service performance for most market dominant products on an annual basis. See 39 CFR 3055 subpart A; 39 U.S.C. 3652(a)(2)(i). For informational purposes, the Postal Service reports service performance for most market dominant products on a quarterly basis. See 39 CFR 3055 subpart B.

The Commission will host an off-the-record technical conference on March 5, 2015, which is open to all persons interested in the Postal Service's service performance measurement systems proposals. The Postal Service shall briefly outline the proposals contained within its plan, and be available to answer questions.

Interested persons are invited to comment on any or all aspects of the Postal Service's new proposals for service performance measurement and reporting systems. Comments are due March 26, 2015. Reply comments may be filed no later than April 8, 2015. The Commission intends to evaluate the comments received and use those suggestions to help carry out its service performance measurement responsibilities under the PAEA. Material filed in this docket will be available for review on the Commission's website, <http://www.prc.gov>.

It is ordered:

1. Docket No. PI2015-1 is established for the purpose of receiving comments regarding the Postal Service's proposed service performance measurement systems.
2. A technical conference will be held in the Commission's hearing room at 10 A.M. on March 5, 2015, where the Postal Service will briefly outline its proposals, and be available to answer questions.
3. Interested persons may submit written comments on any or all aspects of the Postal Service's proposed service performance measurement and reporting systems no later than March 26, 2015.
4. Reply comments may be filed by no later than April 8, 2015.
5. Lyudmila Y. Bzhilyanskaya is designated to represent the interests of the general public in this docket.

6. The Secretary shall arrange for publication of this Notice in the *Federal Register*.

By the Commission.

Ruth Ann Abrams
Acting Secretary