

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

ANNUAL COMPLIANCE REVIEW, 2016

Docket No. ACR2016

RESPONSES OF THE UNITED STATES POSTAL SERVICE TO  
QUESTIONS 1-3 OF CHAIRMAN'S INFORMATION REQUEST NO. 31

The United States Postal Service hereby provides its responses to the above-listed questions of Chairman's Information Request No. 31, issued on June 19, 2017. Each question is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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**RESPONSES OF THE UNITED STATES POSTAL SERVICE  
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1. In its 30-Day Report, the Postal Service states that it “recently performed an updated study of the customer’s package characteristics [for Parcel Return Service Contract 10], and is analyzing the data from this study.” 30-Day Report at 2. When requested to provide an update on a Parcel Return Service Contract 10 amendment or revised financial workpapers, the Postal Service states that “[t]he package study is still ongoing.” Response to CHIR No. 30, question 1.b. Additionally, the Postal Service states that it “expects the study to conclude this month.” *Id.* Please reconcile the statements the Postal Service made regarding the status of the Parcel Return Service Contract 10 package study.

**RESPONSE:**

Upon preparing to analyze the data from the initial study, the Postal Service discovered technical problems that caused the package characteristic data generated to be unreliable. These technical problems have now been resolved, and the Postal Service is reconducting the study with the expectation it will now produce reliable data. The Postal Service expects to complete the study and its analysis of the study data, in order to make an accurate assessment of the customer’s package characteristics, by the end of July.

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2. In its Response to CHIR No. 30, the Postal Service states that after it concludes the ongoing package study it “will then determine whether an amendment or a revised financial analysis is the appropriate course of action.” *Id.* The Postal Service states that it expects that the contract will cover its costs. *Id.* Please provide the financial analysis that serves as the basis for the Postal Service’s expectation that the Parcel Return Service Contract 10 will cover its costs in FY 2017.

**RESPONSE:**

The Postal Service expects that reliable package characteristic data will more closely resemble the financial analysis that the Postal Service initially provided in its PRS Contract 10 filing in Docket Nos. MC2015-59 and CP2015-89. Thus, that analysis remains the basis of the Postal Service’s expectation that PRS Contract 10 will cover its costs.

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3. Please provide an estimated timeframe for completing the Parcel Return Service Contract 10 package study, analysis of the study's data, and developing revised workpapers.

**RESPONSE:**

The Postal Service estimates the study and the Postal Service's analysis will be completed by the end of July. If necessary, revised workpapers will be prepared and filed in early August.