

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

SERVICE PERFORMANCE MEASUREMENT
SYSTEMS FOR MARKET DOMINANT PRODUCTS

Docket No. PI2015-1

**UPDATED RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
QUESTION 1 OF COMMISSION INFORMATION REQUEST NO. 1**
(September 13, 2017)

The United States Postal Service hereby provides an updated response to the above-listed question of Commission Information Request No. 1, issued on May 12, 2017. The Postal Service furnished its initial response to Question No. 1 on June 12, 2017, and this response provides updated information in response to that question. The question is stated verbatim and followed by the response. The material provided with this response includes some of the information identified as outstanding on page 3 of Order No. 4002 issued on July 14, 2017.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
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1. On February 17, 2017, the Postal Service filed Library Reference USPS-LR-PI2015-1/7, which includes the Postal Service's audit plan for the proposed internal service performance measurement system for market dominant products. Within the audit plan, the Postal Service states that it will contract the audit task to a third party. Please provide the following information:
 - a. The contractual statement of work describing the auditing and reporting tasks required of the contractor.
 - b. All documentation developed by the contractor explaining how it intends to perform audits and develop reports.
 - c. The "trial run" audit report provided by the contractor.
 - d. The first official audit report encompassing at least one quarter's data provided by the contractor.

RESPONSE:

- a) The Statement of Work (CIR.1.Q.1a.AuditSOW.pdf) is being filed as an electronic attachment to this response.
- b) The Postal Service's supplier, as part of a continuous improvement effort in the development of internal service performance measurement, is currently drafting its approach to conducting audits and developing audit reports, as a result of lessons learned in conducting the proof of concept ("trial run") audit report referenced in Question 1(c) below. The Postal Service intends to file this supplier documentation when it files the supplier's Quarter 3 audit report.
- c) The proof of concept audit report (CIR.1.Q.1c.Audit.Report.Concept.pdf), titled "Independent Validation" by ICF, was filed as an attachment to the Postal Service's June 12, 2017 response to this Commission Information

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Request:

<https://www.prc.gov/docs/100/100391/CIR.1.Q.1c.Audit.Report.Concept.pdf>

- d) The Postal Service estimates that an audit report of Quarter 3 data will be finalized by its supplier by mid-October, and the Postal Service would undertake to furnish a copy to the Commission thereafter. The Postal Service also intends to file an updated Audit Plan, and updated audit measures, at that time. These modifications will be based on lessons learned as part of the continuous improvement effort in the development of internal service performance measurement.