

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

SERVICE PERFORMANCE MEASUREMENT
SYSTEMS FOR MARKET DOMINANT PRODUCTS

Docket No. PI2015-1

**SECOND UPDATED RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
QUESTION 1 OF COMMISSION INFORMATION REQUEST NO. 1**
(October 27, 2017)

The United States Postal Service hereby provides its second 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 an updated response on September 13, 2017; this additional 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
By its attorneys:

Anthony Alverno
Chief Counsel, Global Business & Service
Development

B.J. Meadows III

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1101
(202) 268-3009
October 27, 2017

**SECOND UPDATED RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
COMMISSION INFORMATION REQUEST NO. 1**

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) See Updated Response of the United States Postal Service to Question 1 of Commission Information Request No. 1 ("Updated Response"), filed on September 13, 2017: <https://www.prc.gov/dockets/document/101583>
- b) Both attachments to today's response – the revised Audit Plan (AuditPlan102417Final.pdf) and the FY2017 Quarter 3 Audit Report (Q3AuditReport102417Final.pdf) – include postal contractor ICF's discussion of its development of, and improvements on, audit processes and reporting. These attachments also include the 26 Audit Measures ICF has developed, in conjunction with the Postal Service, for evaluating the Postal Service's operation of the internal service performance measurement (SPM) system and collection of relevant data from that system.

**SECOND UPDATED RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
COMMISSION INFORMATION REQUEST NO. 1**

- 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 Request:
<https://www.prc.gov/docs/100/100391/CIR.1.Q.1c.Audit.Report.Concept.pdf>
- d) See the FY2017 Quarter 3 Audit Report (Q3AuditReport102417Final.pdf) attached to this response.