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

ANNUAL COMPLIANCE REVIEW, 2017	Docket No. ACR2017

RESPONSES OF THE UNITED STATES POSTAL SERVICE TO QUESTIONS 1-19 OF CHAIRMAN'S INFORMATION REQUEST NO. 2

The United States Postal Service hereby provides its responses to the above-listed questions of Chairman's Information Request No. 2, issued on January 10, 2018. Each question is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Nabeel R. Cheema.
Chief Counsel, Pricing & Product Support

Anthony Alverno
Chief Counsel, Global Business & Service Development

Eric P. Koetting

475 L'Enfant Plaza, S.W.
Washington, D.C. 20260-1137
(202) 277-6333
eric.p.koetting@usps.gov
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1. In FY 2017 the Money Orders product had a cost coverage of 97.2 percent. *See* FY 2017 ACR at 45. This is an improvement from its 91.1 percent FY 2016 cost coverage.[1] In the preceding four years, from FY 2012 to FY 2015, Money Orders covered at least 150 percent of its costs. *Id.*

In the FY 2016 ACD, the Commission acknowledged that the substantial decrease in cost coverage between FY 2015 and FY 2016 was the result of the Commission's determination that "attributable cost should be calculated using incremental cost rather than volume-variable cost."

a. The Postal Service states that it reviewed the incremental costs for Money Orders in FY 2016 and "determined that incremental costs have been overstated." FY 2017 ACR at 45. Please clarify by enumerating the specific findings of the review and provide revised accurate data for the incremental cost of Money Orders in FY 2016.

b. The Postal Service also states that it "plans to evaluate whether the debit card fees allocation to Money Orders is accurate . . . ." *Id.* Please provide a timeline for this evaluation. If one is not available, please state when one will be available.

c. Please provide the number of In-Office Cost System tallies for the Money Orders product and include the confidence interval for the cost coverage.

RESPONSE:

a. The cited portion of the Annual Compliance Report was referring to the assessment conducted of Money Order incremental cost estimation that led to the change in the treatment of Window Service costs described on page 3 of the Preface to USPS-FY17-43. Applying that change in FY 2016 would have reduced the estimated incremental costs of Money Orders from the FY 2016 estimate of $171,686(000) shown in USPS-FY16-43 to $118,616(000).

b. Given current circumstances, the Postal Service has already started reviewing the present methodology for debit card fee attribution. The first step in this

[1] Docket No. ACD2016, Annual Compliance Determination, March 28, 2017, at 60-61 (FY 2016 ACD).

process will include identifying and reviewing the nature, scope, and limitations of currently available materials and data relating to this complex subject. Depending on what emerges, an alternative distribution procedure might be available on a preliminary basis in several weeks. If so, the Postal Service would report that progress to the Commission in a supplemental response to this Information Request. Conversely, if too many impediments still preclude development of an acceptable alternative (even on a tentative basis), the Postal Service would likewise still report the status of its research in that time frame. Again depending on the pace of progress, any preliminary proposal that can be presented may provide a solid basis for a subsequent proposal for a permanent methodological change, or further work may be required to formulate a comprehensive proposal.

c. There were eight hundred eighty seven (887) IOCS tallies for Domestic Money Orders in FY2017, and the coefficient of variation (CV) for the IOCS-based cost estimate is 4 percent. The 95-percent confidence interval for the cost coverage is 92 to 103 percent.

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2. Please refer to Library Reference USPS–FY17–4, December 29, 2017. In Excel file "FY17 Periodicals BDsFinal.xlsx," FY 2017 Quarter 3 and Quarter 4 have no volume. Please update the file to include volumes for FY 2017 Quarter 3 and Quarter 4.

RESPONSE:

An updated version of the Excel file with the missing quarters inserted is electronically attached to this response.

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3. The Postal Service states that "total work hours increased by approximately 6 million, or 0.5%, [from 2016 to 2017].[2] Please provide all data (and data sources) showing the workhour measurements by Labor Distribution Code for FY 2016 and FY 2017.

RESPONSE:

An Excel file containing the requested information is electronically attached to this response.

[2] United States Postal Service, Annual Report on Form 10-K, November 14, 2017, at 24.

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4. The Postal Service discusses Total Factor Productivity (TFP).[3] Pursuant to Commission regulations regarding the Postal Service's financial reporting obligations, please provide all input and data calculations used to derive the FY 2017 TFP. *See* 39 C.F.R. § 3050.60(e). Please include all supporting workpapers.

RESPONSE:

An Excel file containing the requested information is electronically attached to this response.

[3] Library Reference USPS-FY17-17, December 29, 2017, at 26.

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5. The Postal Service identified the 10 facilities with the most failures in meeting each national goal during FY 2016, stated the number of times each facility failed to meet the national goal during FY 2016, and provided the corresponding number of times each facility failed to meet the national goal during FY 2015.[4] The Postal Service identified the 10 facilities with the most failures in meeting each national goal during FY 2017, stated the number of times each facility failed to meet the national goal during FY 2017, and provided the corresponding number of times each facility failed to meet the national goal during FY 2016.[5] The FY 2016 results appearing in January 10, 2017 NP30 file at 5-7 do not appear to correspond with the FY 2016 results reported for those same facilities appearing in December 28, 2017 NP47 file and December 29, 2017 NP30 file. For example, please *compare* the results provided for first facility listed for the "Cancelled by 2000 goal" in January 10, 2017 NP30 file at 5, *with* the results provided in December 28, 2017 NP47 file, tab "Q1b Recalc," cell D20, *and* December 29, 2017 NP30 file, tab "Q1," cell D25. Please file a revised version of the January 10, 2017 NP30 file at 5-7.

RESPONSE:

The FY15 and FY16 values have been recalculated and are filed under seal as part of USPS-FY17-NP32 that accompanies this response.

[4] Docket No. ACR2016, Library Reference USPS-FY16-NP30, January 10, 2017, "USPS-FY16-NP30.Preface.pdf," at 5-7 (January 10, 2017 NP30 file).

[5] Docket No. ACR2016, Library Reference USPS-FY16-NP47, December 28, 2017, Excel file "CHIR.33.Q.1.response.NONPUBLIC.xlsx," (December 28, 2017 NP47 file); Library Reference USPS-FY17-NP30, December 29, 2017, Excel file "Response2 - ACD.FCM.FY17Q3Q4.Q1b.NONPUBLIC.xlsx," (December 29, 2017 NP30 file).

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6. Please reconcile the discrepancies between the results provided in December 28, 2017 NP47 file, tab "Q1b Recalc," cell D74 with the December 29, 2017 NP30 file, tab "Q1b," cell D72.

RESPONSE:

The discrepancies have been reconciled and are filed under seal as part of USPS-FY17-NP32 that accompanies this response.

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7. Please refer to Library Reference USPS-FY17-29, December 29, 2017, Excel file "Response2 - ACD.FCM.FY17Q3Q4.pub.xlsx" (December 29, 2017 Public File).

a. Please refer to tab "Q1a," cells M5-Q5. Please explain why each quarterly result reported for the "Cancelled by 2000" national goal exceeds the result reported for FY 2017 to date (33.7 percent).

b. Please refer to tab "Q4e."

i. Please explain the reason(s) why the number of critically late trips (CLTs) reported for FY 2017 declined from the levels reported for each district in FY 2016 and FY 2015.[6]

ii. Please detail any changes to the methodology for defining or measuring CLTs between FY 2015, FY 2016, and FY 2017.

iii. Please describe how the Postal Service classifies a CLT as occurring in a particular district or area. In the response, please specify if the geographic distribution is based on the origin processing facility, destination processing facility, or any other information. In the response, please also state if any mailpieces are counted twice (*e.g.*, once according to its origin and once according to its destination).

c. Please refer to tabs "Q4b," "Q4b_air," "Q4b_surface," "Q4c," "Q4c_air," and "Q4c_surface."

i. Please describe how the Postal Service classifies an Automated Area Distribution Center (AADC)/Area Distribution Center (ADC) processing delay as occurring in a particular district or area. In the response, please specify if the geographic distribution is based on the origin processing facility, destination processing facility, or any other information. In the response, please also state if any mailpieces are counted twice (*e.g.*, once according to its origin and once according to its destination).

ii. Please describe the processing/sortation action used to measure the AADC/ADC metric.

d. Please refer to tab "Q3b." Please describe how the Postal Service classifies an origin processing delay as occurring in a particular district or area. In the response, please specify if the geographic distribution is based on the origin processing facility, destination processing facility, or any other information. In the response, please also state if any mailpieces

[6] *See* Docket No. ACR2016, Responses of the United States Postal Service to Questions 1-15 and 7-21 of Chairman's Information Request No. 1, January 10, 2017, question 13.

are counted twice (*e.g.*, once according to its origin and once according to its destination).

RESPONSE:

a. The national Cancelled by 2000 result originally reported for FY 2017 to date (33.7 percent) was incorrect due to an error in the formula. An Excel file containing the corrected information, including the correct value of 44.1 percent, is electronically attached to this response.

b.

i. Education and focus are the primary reason for the reduction of the national late trip totals. Education is intended to provide knowledge of the variables potentially impacting late trips. In order better to focus on the problem, weekly telecoms among Headquarters Surface Transportation and Area and local teams have been held to address the vital few facilities. During the telecoms, the occurrence and reasons associated with the trips are discussed. Analysis indicated scanning, dock operation, and supplier issues as the main contributors of late trips. Surface Operations established the Stimulated Action initiative whereby corrective action is required based on occurrences of supplier-related delays. Postal Service administrative officials' training corrected a problem associated with preparation of reports of contact route irregularity (Form 5500) and allowed for a direct approach to supplier inefficiencies. The

increased focus and corrective action taken have served to reduce late trips and improve service. The training has also had a positive effect on dock operations and processing, illuminating the expeditor's part in improving late trip occurrence. The increased focus by leadership has demonstrated the importance of the critical late trip reduction efforts.

ii. There has been no change in the method of defining and measuring inbound critically late trips. As it has been from the beginning, any trip arriving more than four (4) hours past the scheduled arrival time is critically late.

iii. The CLT is identified by the actual arrival scan vs. scheduled arrival scan at the destination facility. The query initiated in Surface Visibility (SV) provides output that identifies the route and trip as well as the area and district based on destination. The arrival of the trailer at the destination processing facility, and prompt scanning of the trailer, help to eliminate late trips caused by inattention at the dock. The education provided to certain mail handlers (expeditors) communicated the impact and importance of timely scanning. No mailpieces are counted twice; the outbound and inbound load scans are reported, which allows for the counting of containers.

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c.

i. An Automated Area Distribution Center (AADC)/Area Distribution Center (ADC) processing delay root cause is assigned to a particular district and area based on the destinating 3-digit ZIP Code of the mail piece. None of the mail pieces is counted twice.

ii. A mail piece is categorized with a root cause of Automated Area Distribution Center (AADC)/Area Distribution Center (ADC) processing delay if it receives any processing scan at the expected AADC/ADC plant after 12:00 PM on the day before the expected day of delivery, and fails to meet any subsequent processing cycle time checkpoints.

d. An origin processing delay root cause is assigned to a particular district and area based on the 3-digit ZIP Code from which the piece was mailed. None of the mail pieces is counted twice.

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8. Please refer to the following: Docket No. ACR2016, Second Response of the United States Postal Service to Commission Requests for Additional Information in the FY 2016 Annual Compliance Determination, June 26, 2017, Excel file "ACD.FCM.FY17Q1Q2.pub.xlsx," tabs "Q4f" and "Q5b"; Docket No. ACR2016, Responses of the United States Postal Service to Questions 1-4 of Chairman's Information Request No. 33, December 28, 2017, Excel file "CHIR.33.Qs.2.3.Data.xlsx," tabs "Q3d" and "Q3e"; and December 29, 2017 Public File, tabs "Q4f" and "Q5b."

a. Please describe how the Postal Service classifies root cause data from the Transit Time Measurement System (TTMS) as experiencing an origin failure (root cause at origin) versus a destination failure (already missed service standard by Last Processing Operation). In the response, please specify and describe the processing actions used to distinguish between an origin failure versus a destination failure.

b. Please describe how the Postal Service classifies origin and destination failures as occurring in a particular district or area. In the response, please specify if the geographic distribution based on the origin processing facility, destination processing facility, or any other information. In the response, please also state if any mailpieces are counted twice (*e.g.,* once according to its origin and once according to its destination).

c. Please describe how classifying a mailpiece as experiencing an origin failure using root cause data from TTMS is different from classifying a mailpiece as having experienced an origin processing delay. *See e.g.*, December 29, 2017 Public File, tab "Q3b." In the response, please specify and describe the processing actions used to distinguish between an origin failure versus an origin processing delay.

RESPONSE:

a. An origin failure (root cause at origin) encompasses all root causes that occur during outgoing processing. These include collection delay, origin missent, non-standard mail flow, origin miscode/misread, no read at origin, non-standard origin processing and origin processing delay.

A destination failure (root cause at destination) encompasses all root causes that occur during incoming processing. These include AADC

missent, destination missent, AADC/ADC processing delay, non-standard incoming processing, no read at destination, received first DPS pass / not second, plant looping, delivery looping, non-standard depth of sort, late incoming secondary processing, destination miscode/misread, and last mile failure.

The failure category "Already missed service standard by Last Processing Operation" is an aggregate category that consists of both origin and destination root causes. It includes all origin failures, as well as destination failures due to AADC/ADC missent, destination missent, AADC/ADC processing delay, plant looping, and late incoming secondary processing root causes.

Definitions for the full set of defined root causes are included in the table below.

Failure Indicator	Origin / Destination Failure	Description
Collection Delay (Zero Bundle)	Origin	A mail piece that belongs to an EXFC zero bundle. Zero bundles indicate that there was a delay in retrieving mail from a collection box or in the handoff to the plant. A Collection Delay failure indicator supersedes all other failure indicators if no subsequent cycle time checkpoints are met.
Missent (Origin)	Origin	A mail piece that is processed in an outgoing processing operation at an unexpected origin plant and not miscoded. Includes mail pieces processed at consolidation plants. A Missent failure indicator supersedes all other failure indicators unless it is a Collection Delay or Last Mile Failure.

Missent (AADC)	Destination	A mail piece that is processed in a managed mail processing operation at an unexpected AADC plant and not miscoded. Includes mail pieces processed at consolidation plants. A Missent failure indicator supersedes all other failure indicators unless it is a Collection Delay or Last Mile Failure.
Missent (Destination)	Destination	A mail piece that is processed in an incoming processing operation at an unexpected destination plant and not miscoded. Includes mail pieces processed at consolidation plants. A Missent failure indicator supersedes all other failure indicators unless it is a Collection Delay or Last Mile Failure.
Non-Standard Mail Flow	Origin	A letter mail piece that is processed as a flat. All scans received by the mail piece are 14X, 33X, 40X, 44X, 46X, 530/538 and/or 81X*. A Non-Standard Mail Flow failure indicator supersedes all other failure indicators except for Collection Delay, Last Mile Failure and Origin Missent.
Miscode/Misread (Origin)	Origin	A piece where an IMb™ read observed in an outgoing primary or outgoiung secondary processing operation does not match the reporter ZIP Code in the eleven digits for letters and nine digits for flats. A miscode failure indicator supersedes all other failure indicators unless one of the following occurs: • The piece is categorized as a Collection Delay and no subsequent cycle time checkpoints are met; • The piece is missent and the last read before processing occurs in an unexpected plant is correct; • The miscode occurs during origin processing but is corrected thereafter and the piece reaches downstream cycle time checkpoints on time; or • The miscode occurs in processing prior to DPS but DPS processing occurs on time at the expected plant with all reads correct.
Miscode/Misread (Destination)	Destination	A piece where an IMb™ read observed in any managed mail or incoming processing operation does not match the reporter ZIP Code in the eleven digits for letters and nine digits for flats. A miscode failure indicator supersedes all other failure indicators unless one of the following occurs: • The piece is categorized as a Collection Delay and no subsequent cycle time checkpoints are met; • The piece is missent and the last read before processing occurs in an unexpected plant is correct;

		• The miscode occurs during origin processing but is corrected thereafter and the piece reaches downstream cycle time checkpoints on time; or • The miscode occurs in processing prior to DPS but DPS processing occurs on time at the expected plant with all reads correct.
No Read at Origin	Origin	A mail piece that receives no reads and no ID Tag is applied at the expected origin plant.
Non-Standard Origin Processing	Origin	A mail piece that receives 3 or more outgoing primary sorts (Two-Day mail only), receives 3 or more outgoing secondary sorts (Two/Three-To-Five-Day mail), or receives a first scan which is not outgoing primary. Any mail piece that does not receive any origin processing is also included. AFCS processing does not count as a read.
Origin Processing Delay	Origin	A mail piece that receives an outgoing secondary scan after midnight on the day of induction or a late outgoing primary scan after 23:00 on the day of induction if no secondary scan exists.
AADC/ADC Processing Delay	Destination	A letter or card that receives a scan at the expected AADC plant after 12:00 on the day before expected day of delivery. For flats, a piece that receives a scan at the expected ADC plant after 12:00 on the day before expected day of delivery.
Non-Standard Incoming Processing	Destination	A mail piece with any scan of XX1 or XX2 on any operation at the AADC and/or final destination plant, or 3 or more XX3, XX4, or XX5 scans at the AADC and/or final destination plant.
No Read at Destination	Destination	A mail piece that receives no reads at the expected destination plant. AADC scans are not included.
Received First DPS Pass / Not Second	Destination	A letter/card that receives a first DPS pass only. Miscode/Misread at destination should preclude the assignment of this failure indicator.

Plant Looping	Destination	A mail piece that experiences plant looping (receiving a 1st DPS pass operation after a 2nd DPS pass operation, more than 24 hours between any DPS processing, more than 12 hours between two 1st pass operations, seen in carrier route operation 12hr after DPS operation or is seen in incoming primary after 2nd pass). Miscode/Misread at destination should preclude the assignment of this failure indicator.
Delivery Looping	Destination	A mail piece that experiences delivery looping (receiving a 1st pass, 2nd pass, or Carrier route operation) and then is seen in outgoing primary. Miscode/Misread at destination should preclude the assignment of this failure indicator.
Non-Standard Depth of Sort	Destination	A mail piece that does not have the appropriate depth of sort given its destination. Miscode/Misread at destination should preclude the assignment of this failure indicator.
Late Incoming Secondary Processing	Destination	A letter/card that receives the correct, final scan at the destination plant after 08:00 on the expected day of delivery or a flat whose final scan at the destination plant occurs after 08:00 on the expected day of delivery. Can only be evaluated if last scan is a destination scan.
Last Mile Failure	Destination	A failed letter/card that receives the correct, final scan at the destination plant before 08:00 on the expected day of delivery, does not receive a first DPS pass only, does not experience DPS looping, and has the appropriate depth of sort given its destination, or a failed flat whose final scan at the destination plant occurs before 08:00 on the expected day of delivery. Miscode/Misread at destination should preclude the assignment of a Last Mile Failure.
No Scan	N/A	A mail piece that receives no reads and no ID Tag. A No Scan failure indicator supersedes all other failure indicators except for Collection Delay.

* The use of "X" within a three-digit processing operation number indicates that the notation represents all processing operations with the same prefix if the final digit is "X", or all operations with the same suffix if the initial digits are "X".

b. An origin failure is assigned to a particular district and area based on the 3-digit ZIP Code from which the mail piece was sent. None of the origin failure mail pieces is counted twice. See also response to 8(a), above.

A destination failure is assigned to a particular district and based on the destination 3-digit ZIP Code of the mail piece. None of the destination failure mail pieces is counted twice.

For the aggregate failure category "Already missed service standard by Last Processing Operation," a mail piece is assigned to a particular district and area based on the induction 3-digit ZIP Code if the specific root cause of failure was an origin failure, and based on the destinating 3-digit ZIP Code of the mail piece if the specific root cause of failure was a destination failure. No mail pieces within the aggregate destination failure category "Already missed service standard by Last Processing Operation" are counted twice. Mail pieces categorized as the aggregate destination failure "Already missed service standard by Last Processing Operation" would also be counted in the summaries of origin or destination failures, based on their specific root cause of failure.

c. Origin failures encompass all root causes that occur during outgoing processing, one of which is the origin processing delay. An origin processing delay is defined as a mail piece that receives an outgoing secondary scan after midnight on the day of induction or an outgoing primary sortation operation scan after 23:00 on the day of induction if no secondary scan exists.

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9. The Postal Service identifies five actions it is taking to improve service performance for First-Class Mail Outbound Single-Piece International.[7] Please address the following:

a. How are "leading indicators, such as volumes after clearance time" being used to improve service performance?

b. What does "[d]rive operating plans" mean and how does this improve service performance?

c. What "further communication among workforce on International Outbound processing" is being employed to improve service performance?

d. What pinch points and delayed cycle times have been identified and what changes have been implemented to improve service performance?

e. What does "[e]nsure dispatch discipline, including sweeping all available International mail" mean and how does this improve service performance?

RESPONSE:

a. Leading indicators allow the Postal Service to be proactive and to identify and adjust particular pinch points in order to improve clearance time and service performance.

b. To "[d]rive operating plans" means to push for full compliance to the operating plan goals, such as ensuring that processing is completed by the clearance time goal and ensuring that a trip is dispatched on-time. Adherence to the operating plan helps to maintain "on-time" performance and reduces the risk of service performance failures; operating plan compliance ensures that mail processing and dispatch are completed in time to make service goals.

[7] Library Reference USPS–FY17–29, December 29, 2017, at 9.

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c. Our communication plan for International Outbound processing is integrated with that for First-Class and includes Processing Operation Management Orders (POMO), Standard Work Instructions (SWI), and Service Talks.

d. Late clearance of outgoing mail processing has been identified as an opportunity. The Postal Service continues to address opportunities on leading indicators, including mail arrival profile, productivity, and operating plan, to increase capacity of the equipment sets in order to improve service.

e. Proper dispatch discipline includes sweeping all available mail for each trip, which means that mail can make the earliest dispatch and reduce the risk of the last trip exceeding capacity. Dispatching all available mail on each trip helps to improve service performance by reducing potential delays in the mail flow.

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10. For *each* End-to-End USPS Marketing Mail product with a 6-10-day service standard, please provide the volume and the percentage based on the total USPS Marketing Mail volume that is End-to-End and has a 6-10-day service standard for FY 2017.[8]

RESPONSE:

The volume of each Marketing Mail product that is End-to-End and has a service standard between 6 and 10 days is not known for all Marketing Mail. The volume of each Marketing Mail product that is End-to-End and has a 6-10 day service standard and was in measurement is provided below.

End-to-End Mail with 6-10-Day Service Standard
FY17 Volume Included in Service Measurement

Marketing Mail Product	Measured Volume
High Density/Saturation Letters	38,663,515
High Density/Saturation Flats/Parcels	4,465,235
Carrier Route	23,358,771
Letters	2,507,332,056
Flats	418,777,295
Parcels	2,430,418
EDDM-Retail	0

In FY17, End-to-End mail with a 6-10 day service standard represented 5.8 percent of the total measured Marketing Mail. The table below provides the breakout by product.

End-to-End Mail with 6-10-Day Service Standard
FY17 Percent of Total Measured Volume

Marketing Mail Product	Percent of Total Measured Volume of the Product	Percent of Total Measured Marketing Mail
High Density/Saturation Letters	0.8%	0.1%
High Density/Saturation Flats/Parcels	0.1%	0.0%

[8] *See* Docket No. ACR2016, Responses of the United States Postal Service to Questions 1-15 of Chairman's Information Request No. 13, February 10, 2017, question 2.b.

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Marketing Mail Product	Percent of Total Measured Volume of the Product	Percent of Total Measured Marketing Mail
Carrier Route	0.5%	0.0%
Letters	7.3%	4.8%
Flats	13.8%	0.8%
Parcels	12.5%	0.0%
EDDM-Retail	0.0%	0.0%

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11. Please provide the volume and percentage of Bound Printed Matter Flats that were manually processed in FY 2017.

RESPONSE:

The Postal Service does not track the volume of Bound Printed Matter processed in manual operations. However, pieces over 20 ounces are considered non-automation by DMM standards (DMM 201.6.2.2). While some BPM pieces under 20 ounces may be worked manually, and some pieces over 20 ounces may be worked in automated operations, the proportion of pieces under and over 20 ounces provides an indication of the proportion of BPM flats that require manual processing. In addition, the presort and entry of the piece will affect whether pieces need to be worked in automated piece distribution operations. For example, carrier route presorted flats generally are not worked in piece distribution operations because these pieces are already sorted to carrier route as bundles. Non-carrier route presorted pieces entered at the DDU are usually sorted to the carrier manually, as delivery units do not have automated flat sorting equipment. The table below shows the distribution of BPM Flats by DMM automation criteria, presort, and DDU entry levels.

FY2017 Bound Printed Matter Weight Statistics					
	Volume			Proportion	
	Under 20 Ounces	Over 20 Ounces		Under 20 Ounces	Over 20 Ounces
Non-DDU Single Piece/Presort BPM Flats	56,265,072	74,123,619		43.2%	56.8%
DDU Single Piece/Presort BPM Flats	16,083	106,484		13.1%	86.9%
Carrier Route BPM Flats	23,129,440	110,851,872		17.3%	82.7%

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12. Please identify and describe the key metrics used in the Post Office Box Service performance dashboard.[9]

RESPONSE:

The referenced PO Box Up Service Performance dashboard has not yet been built. Once built, this dashboard is expected to contain many of the metrics that the Postal Service currently uses to determine PO Box Up Service Measurement. At a minimum, the metrics listed below are expected to be included. The Postal Service intends to develop additional metrics where the results of our PO Box Performance Improvement kaizens indicate a need, though what those new metrics will be is not yet known.

PO Box Up Report Metrics –

Location = Area, District, Facility ZIP Code

Total Box Scans = Total Expected PO Box Up scans by the reporting entity

On Time Count = Number of PO Box Up scans on or before Scheduled PO Box Up Time

On Time Percentage = **On Time Count/Total Box Scans**

Late Count = Number of PO Box Up scans after expected PO Box Up time + Expected PO Box Up scans not performed

[9] Library Reference USPS–FY17–29, at 27.

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Late Percentage = **Late Count/Total Box Scans**

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13. Please provide the number of Self Service Kiosks (SSKs)[10] in operation as of the end of FY 2017. Please describe any formal plan(s) for the addition of more SSKs during FY 2018.

RESPONSE:

There were 2,843 kiosks installed as of the end of FY 2017.

The plans for FY 2018 are to replace existing SSK hardware, due to end of life issues, at all current SSK locations. During this transition, the Postal Service will remove 166 underutilized SSKs and install an additional 68 SSKs, for a planned total of 2,745 SSKs by the end of FY 2018.

[10] SSKs were previously referred to as Automated Postal Centers (APCs).

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14. In Docket No. ACR2016, the Postal Service filed a "Retail Revenue by Channel" table in response to a CHIR.[11] Please provide an updated table for FY 2017.

RESPONSE:

Channel	FY2017 Revenue	Share of Total	Change from FY2016
Post Office Revenue	$9,863,063,957	76.2%	-6.70%
Stamp Sales by Partners	$1,039,366,367	8.0%	-4.11%
SSK/APC	$418,339,943	3.2%	-2.15%
Stamps by Mail/Phone/FAX	$78,291,565	0.6%	3.05%
Contract Units	$141,220,769	1.1%	-2.51%
Click n Ship	$486,532,486	3.8%	-12.15%
Other	$ 908,478,674	7.0%	47.01%
TOTAL RETAIL REVENUE	$12,935,293,761	100.0%	-4.01%

[11] Docket No. ACR2016, Responses of the United States Postal Service to Questions 1-2, 4-9, 11-13, 15-19, 23, 28, and 31-33 of Chairman's Information Request No. 3, January 13, 2017, question 5.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 2

15. Please provide the proportion of collection boxes for which the last mail pickup time is:

a. 12:00 a.m. to 11:59 a.m.

b. 12:00 p.m. to 2:59 p.m.

c. 3:00 p.m. to 4:59 p.m.

d. 5:00 p.m. to 6:59 p.m.

e. 7:00 p.m. to 11:59 p.m.

f. For each of a-e, please provide the proportions for Monday-Friday and Saturday-Sunday separately, if applicable.

RESPONSE:

a. Monday-Friday: 28 percent; Saturday: 43 percent.

b. Monday-Friday: 28 percent; Saturday: 40 percent.

c. Monday-Friday: 29 percent; Saturday: 14 percent.

d. Monday-Friday: 15 percent; Saturday: 3 percent.

e. Monday-Friday: 0 percent; Saturday: 0 percent.

f. See responses to a. – e., above.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 2

16. Please provide a table detailing the following information regarding Village Post Offices (VPOs):

a. The number of VPOs in existence at the beginning of FY 2017

b. The number of VPOs opened in FY 2017

c. The number of VPOs closed in FY 2017

d. The number of VPOs in existence at the end of FY 2017

RESPONSE:

a. - d.

Beginning FY17	854
Opened in FY17	0
Closed in FY17	133
End FY17	721

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 2

17. Please provide a table detailing the following information regarding Community Post Offices (CPOs):

a. The number of CPOs in existence at the beginning of FY 2017

b. The number of CPOs opened in FY 2017

c. The number of CPOs closed in FY 2017

d. The number of CPOs in existence at the end of FY 2017

RESPONSE:

a. - d.

Beginning FY17	489
Opened in FY17	0
Closed in FY17	24
End FY17	465

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 2

18. Please provide a table detailing the following information regarding Contract Postal Units (CPUs):

a. The number of CPUs in existence at the beginning of FY 2017

b. The number of CPUs opened in FY 2017

c. The number of CPUs closed in FY 2017

d. The number of CPUs in existence at the end of FY 2017

RESPONSE:

a. - d.

Beginning FY17	2,391
Opened in FY17	0
Closed in FY17	142
End FY17	2,249

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 2

19. Please refer to Library Reference USPS-FY17-33, December 29, 2017, Excel file "Post.Office.FY2017.xls," tab "7 Offices added to original 655." Please provide a suspension reason for each office listed.

RESPONSE:

STATE	AREA	DISTRICT	OFFICE	FACILITY TYPE	SUSPENSION REASON
IL	GREAT LAKES	GATEWAY PFC	BOLES	Main PO	Lease Termination
IL	GREAT LAKES	GATEWAY PFC	COATSBURG	Main PO	Lessor Cancelled Lease
MD	CAPITAL METRO	CAPITAL PFC	BURTONSVILLE	Main PO	Lease expiration
MO	WESTERN	MID-AMERICA PFC	COMMERCE	Main PO	Damaged
TN	EASTERN	TENNESSEE PFC	LUTTS	Main PO	Damaged
TX	SOUTHERN	RIO GRANDE PFC	CRANFILLS GAP	Main PO	Safety and Health
TX	SOUTHERN	RIO GRANDE PFC	SATIN	Main PO	Safety and Health