

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

COMPETITIVE PRODUCT PRICES  
PARCEL SELECT CONTRACT 20 (MC2017-78)  
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2017-105

**USPS RESPONSE TO CHAIRMAN'S INFORMATION REQUEST NO. 2,  
WITH MATERIALS FILED UNDER SEAL**  
(June 5, 2018)

The United States Postal Service hereby provides its response to Chairman's Information Request No. 2, which was issued on May 31, 2018. A response was due by June 5, 2018. Each public question is reprinted verbatim in the attached, and is followed by the Postal Service's response. A response to the remaining nonpublic question is being filed under seal. The Postal Service herein incorporates by reference its Application for Non-Public Treatment in this docket for the protection of the material filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

Elizabeth A. Reed

475 L'Enfant Plaza, SW  
Washington, D.C. 20260-1137  
(202) 268-3179  
June 5, 2018

## USPS RESPONSE TO CHAIRMAN'S INFORMATION REQUEST NO. 2

1. Please identify and explain obstacles to collecting the operational data necessary to replace the assumptions in the cost model with actual data and provide an estimate of how long it would take to collect this data.

### **RESPONSE:**

The Postal Service is not certain as to whether operational information in centralized databases is available and reliable enough to validate the cost model, and therefore is unable to provide an estimate.

## USPS RESPONSE TO CHAIRMAN'S INFORMATION REQUEST NO. 2

2. Please identify and explain any obstacles to sampling the data necessary to replace the assumptions in the cost model with reliable, data-driven estimates, and provide an estimate of how long it would take to obtain these estimates.

### **RESPONSE:**

The Postal Service would first have to determine whether information in centralized databases is available and reliable enough to prepare a sampling frame, e.g. identify which trips, or legs of trips, and which employees are associated with pickups for this NSA. Without centralized data, sampling would have to be undertaken at the local level. An additional challenge would be efficiently deploying data collectors and/or data collection instruments to reliably record information on the cost model inputs, without unduly interfering with operations. Given the magnitude of the costs in question, the additional accuracy obtained would be unlikely to justify a comprehensive level of sampling effort.