

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

ANNUAL COMPLIANCE REVIEW

2019 Docket No. ACR2019

MOTION FOR ISSUANCE OF INFORMATION REQUEST NO. 3
STEVE HUTKINS
(August 21, 2020)

Pursuant to 39 C.F.R. § 3001.21(a), I respectfully ask that the Presiding Officer issue an Information Request asking the Postal Service to provide weekly service performance reports for the period June 1, 2020, to the date of the Request. I believe the reports would be beneficial to the Commission's important annual evaluation of the Postal Service's compliance with the provisions of 39 U.S.C. § 3652 and in particular 39 C.F.R. § 3055 (Service Performance and Customer Satisfaction Reporting).

Under PAEA, the Postal Service is required to measure service performance relative to service standards and report this information to the Commission as part of the Postal Service's Annual Compliance review. See 39 U.S.C. § 3652(a)(2).¹ As required by 39 C.F.R. § 3055.30, the Postal Service also provides the Commission with quarterly service performance reports on all Market-Dominant Products. The reports are extremely helpful to the Commission in evaluating the Postal Service's compliance with the relevant statutes. The reports are also of great value to the mailers, since service

¹ See Modern Service Standards for Market-Dominant Products, 72 Fed. Reg. 72216 (December 19, 2007) (Initial Service Standards); see also Docket No. RM2009-11, Order Establishing Final Rules Concerning Periodic Reporting of Service Performance Measurements and Customer Satisfaction, May 25, 2010, at 5-6 (Order No. 465).

performance is closely tied to the value of the mail they send. As the Commission has noted previously, speed of delivery, as well as reliability, is a key element of “quality of service.”²

Under normal circumstances, quarterly reports and the annual review are sufficient to satisfy the relevant statutes. And under normal circumstances, the extent to which performance is meeting targets and standards does not change dramatically on a week-to-week basis. The current moment is different, however.

As numerous news reports have indicated, operational changes made by the Postal Service earlier this summer appear to have dramatically slowed down the mail and impacted on-time service levels. The Postmaster General himself acknowledged that the changes he has implemented have caused delays. In an August 14, 2020, memo to postal employees, the Postmaster General stated, “Unfortunately, this transformative initiative has had unintended consequences that impacted our overall service levels.”³

Anecdotal reports of delays and the Postmaster General’s acknowledgement do not, however, give the Commission, the mailers, or the public a clear understanding of the depth and scope of the delays. They appear to be more severe than people realize.

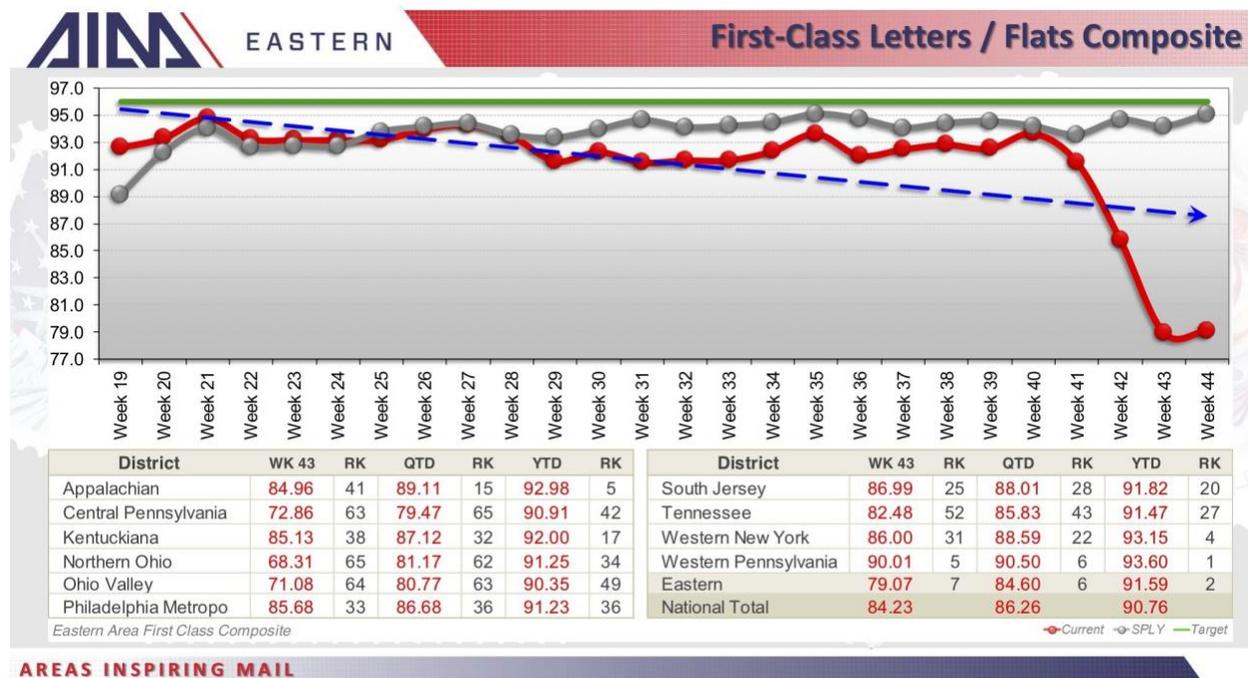
Earlier this month the Postal Service gave presentations at two Areas Inspiring Mail (AIM) Meetings. Audios and PowerPoint presentations appear on PostalPro. The

² See Docket No. ACR2016, Annual Compliance Determination, March 28, 2017, at 90 (FY 2016 ACD).

³ “Path forward: PMG addresses restructuring” [<https://link.usps.com/2020/08/14/>]

audio for the presentations is password restricted, but the visual presentations include several charts that can be viewed without a password. The charts graph the on-time performance for the Pacific and Eastern Areas on a weekly basis for the past few months for the various types of Market Dominant mail.⁴

Below is the graph for the service performance for a composite of all First Class mail from Week 19 of Fiscal Year 2020 to Week 44 (Feb. 11, 2020 – August 4, 2020).



AREAS INSPIRING MAIL

The target for this composite class is a score of about 96 percent. For the same period last year, scores fell a couple of percentage points below the target, but in a relatively consistent way. In the beginning of July, however, the scores fell precipitously,

⁴ Eastern Area AIM Meeting - Service Update (August 4, 2020) [<https://postalpro.usps.com/node/8407>]; Pacific Area AIM Meeting Presentation (August 13, 2020) [<https://postalpro.usps.com/node/8472>]

far below the target and same period last year. Presumably the drop reflects the impacts of operational changes made by the Postal Service. Other graphs in the presentations for Marketing Mail and Periodicals show the same phenomenon.

The severity of the fall in performance, and the probability that they occurred not just in the Pacific and Eastern Areas but all over the country, raise several issues. One is that performance scores well below service standards may amount to a de facto change in service standards. If this is happening on a nationwide basis, as appears to be the case, the changes would require the Postal Service to request an Advisory Opinion, but it has not done so. See 39 C.F.R. 3020.⁵ A second issue is that the value of the mail is falling along with the scores, since timely delivery is one of the most important elements by which value is measured. Indeed, it is one of the main differences between the classes of mail. A third issue is that the Postal Service is expecting a surge in mail voting this year, and Election Mail, including ballot applications, ballots sent to voters, and ballots returned to election centers, is extremely time sensitive. The general public has a very strong interest in how fast the mail is being delivered and how well the Postal Service is meeting its service standards.

The Commission will eventually receive the Service Performance Report for the fourth quarter, but that report won't be available until November 2020. Given how rapidly and severely service may be degrading, it would be valuable to the Commission and the mailers, as well as the general public, if the Postal Service shared weekly

⁵ 39 C.F.R. 3020 - Rules Applicable to Postal Service Requests for Changes in the Nature of Postal Services

reports as soon as possible. This information would be very useful for the Commission in order to understand the nature of what has been occurring with regard to service performance.

The Postal Service may object and argue that the Commission will review service performance for FY 2020 in the next Annual Compliance Determination review, but that process will not begin until December 2020. While it is generally the case that ACDs are retrospective, the Commission does have the authority to request information outside the strict timeframe of the ACD review. The current circumstances merit that the Commission exercise this authority.

Providing these weekly reports will not burden the Postal Service in any significant way. It has ready access to the data, and it already generates reports like this for internal use. My request is simply that they share them with the Commission, mailers, and the public, on a one-time basis only and not as a regular request for the ACD.

The Commission can best determine the form in which the Postal Service provides these weekly reports. I would suggest that the reports follow the format that the Postal Service uses for its quarterly reports to the Commission so that it is easier to compare the weekly data with previous quarters.⁶

Respectfully submitted,
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⁶ “Service performance results” [<https://about.usps.com/what/performance/service-performance/>]