UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Periodic Reporting   Docket No. RM2021-1
(Proposal Seven)

CHAIRMAN'S INFORMATION REQUEST NO. 3

(Issued February 17, 2021)

To clarify the Postal Service's petition to consider proposed changes in analytical principles, filed November 9, 2020,[1] and responses to Chairman's Information Request No. 1, filed on January 7, 2021,[2] the Postal Service is requested to provide written responses to the following questions. The responses should be provided as soon as they are developed, but no later than February 24, 2021.

The questions are derived from a motion filed by Public Representative, who asserts that this additional information "will allow participants to provide more constructive comments and evaluate whether the proposal meets the applicable legal and regulatory requirements."[3]

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[1] Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Seven), November 9, 2020 (Petition). Along with the Petition, the Postal Service filed a report supporting Proposal Seven. Petition, Research on Updating Purchased Highway Transportation Variabilities to Account for Structural Changes (Bradley Report).

[2] Responses of the United States Postal Service to Questions 1-9 of Chairman's Information Request No. 1, January 7, 2021 (Response to CHIR No. 1).

[3] Public Representative Motion for Issuance of Information Request, February 12, 2021; Public Representative Notice of Errata, February 16, 2021.

1. Please refer to Library Reference USPS-RM2021-1-1, November 9, 2020, folder "Christmas Transportation Models," SAS program file "XMAS INTER SCF Variability Equations.SAS," program step "Mean Center the Data" (Docket No. RM2021-1 SAS Program). Please also refer to Docket No. RM2014-6, Library Reference USPS-RM2014-6-1, June 20, 2014, SAS program file "Est.IntePDC.Clust.Area.NDC.Variab.SAS," program steps "Estimate Van Equation" and "Estimate TT Equation" (Docket No. RM2014-6 SAS Program).

    a. Please confirm that in the Docket No. RM2021-1 SAS Program, in the formula lnCFM=log(cfm/g_cfm), the term "cfm" refers to the sum of cubic foot miles for each route per cost segment. If not confirmed, please explain the meaning of the term "cfm."

    b. Please confirm that in the Docket No. RM2021-1 SAS Program, in the formula lnCFM=log(cfm/g_cfm), the term "g_cfm" refers to the mean of the sum of cubic foot miles for each route per cost segment. If not confirmed, please explain the meaning of the term "g_cfm."

    c. Please confirm that in the Docket No. RM2021-1 SAS Program, in the formula lnRL=log(atripmiles/g_stripmiles), the term "atripmiles" refers to the mean of trip miles for each route per cost segment. If not confirmed, please explain the meaning of the term "atripmiles."

    d. Please confirm that in the Docket No. RM2021-1 SAS Program, in the formula lnRL=log(atripmiles/g_stripmiles), the term "g_stripmiles" refers to the mean of the sum of trip miles for all routes and cost segments. If not confirmed, please explain the meaning of the term "g_stripmiles."

    e. If questions 1.a. and 1.c. are confirmed, please explain why the sum of cubic foot miles was used for the "cfm" term, but the mean, and not sum, of trip miles was used for the "atripmiles" term in the referenced formulas of the Docket No. RM2021-1 SAS Program.

    f. Please confirm that in the Docket No. RM2014-6 SAS Program, in the formula lnCFM=log(cfm/g_cfm), the term "cfm" has the same meaning and

is calculated the same way as in the Docket No. RM2021-1 SAS Program. If not confirmed, please describe the differences in meaning and/or calculations of "cfm" in the formula lnCFM=log(cfm/g_cfm) in the two referenced SAS programs and explain the reasons for such differences.

By the Chairman.

Michael Kubayanda