

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

Before Commissioners:

Michael Kubayanda, Chairman;
Ann C. Fisher, Vice Chairman;
Mark Acton;
Ashley E. Poling; and
Robert G. Taub

Public Inquiry on Establishment of Service
Standards and Modification of Service
Performance Measurement Plan

Docket No. PI2023-1

NOTICE AND ORDER INITIATING PROCEEDING
TO CONSIDER NEW PLANNED SERVICE STANDARDS, CORRESPONDING
MODIFICATIONS TO SERVICE PERFORMANCE MEASUREMENT PLAN FOR
MARKET DOMINANT PRODUCTS, AND REQUEST TO USE INTERNAL SERVICE
PERFORMANCE MEASUREMENT SYSTEM

(Issued November 30, 2022)

On November 23, 2022, the Postal Service filed a notice, pursuant to 39 CFR 3055.5, notifying the Commission of the Postal Service's intent to establish new service standards for USPS Connect Local Mail and proposing corresponding revisions to its Service Performance Measurement (SPM) Plan for Market Dominant products.¹ The Postal Service also, pursuant to 39 U.S.C. 3691(b)(2), requests approval to apply its existing internal service performance measurement system to USPS Connect Local

¹ United States Postal Service Notice Concerning the Establishment of Service Standards and Measurement for USPS Connect™ Local and Request for Use of Internal Measurement System, November 23, 2022, at 1 (Notice).

Mail. Notice at 1. The most recent version of the SPM Plan that is the subject of this proceeding was approved for implementation on July 18, 2022, in Docket No. PI2022-3.² Accompanying the Notice is a library reference, which contains a copy of the Postal Service's SPM Plan, revised November 23, 2022 (both redline and clean versions).³

On November 10, 2021, the Postal Service announced its intention to conduct a market test of an experimental product denominated as USPS Connect Local Mail.⁴ USPS Connect Local Mail is intended for local delivery, enabling customers to deposit USPS Connect Local Mail items at participating Destination Delivery Units (DDUs) or present them to mail carriers along their lines of travel to participating DDUs. Notice at 2. The Commission authorized the proposed market test on January 4, 2022.⁵ The Postal Service now seeks to classify USPS Connect Local Mail as a new, permanent classification in the Mail Classification Schedule (MCS).⁶ The Postal Service states that assuming its proposed classification changes are adopted in accordance with the expected date of implementation of January 22, 2023, the Postal Service plans to add USPS Connect Local Mail as price category within First-Class Mail Flats. Notice at 2.

Related to the Postal Service's request to add USPS Connect Local Mail as a new, permanent classification, the Postal Service plans to establish new service standards for USPS Connect Mail Local. Notice at 2. The Postal Service plans for USPS Connect Local Mail items accepted at a participating DDU by 0700 to receive a same-day service standard, and for mailpieces received at a participating DDU or by

² Docket No. PI2022-3, Order Directing the Postal Service to Request an Advisory Opinion Prior to Implementing its Proposed Change to the Critical Entry Times for Periodicals and Approving the Other Proposed Revisions to Market Dominant Service Performance Measurement Plan, July 18, 2022 (Order No. 6232).

³ Library Reference USPS-LR-PI2023-1/1, November 23, 2022.

⁴ Docket No. MT2022-1, United States Postal Service Notice of Market Test of Experimental Product – USPS Connect Local Mail, November 10, 2021.

⁵ Docket No. MT2022-1, Order Authorizing Market Test of Experimental Product – USPS Connect Local Mail, January 4, 2022 (Order No. 6080).

⁶ Notice at 3; see Docket No. MC2023-12, United States Postal Service Revised Request to Convert USPS Connect Local Mail to a Permanent Offering, November 9, 2022.

carrier pickup after 0700 to receive a 1-day service standard. *Id.* at 3. The Postal Service states its intention to revise 39 CFR 121.1 to establish a 0-day service standard for USPS Connect Local Mail and to include USPS Connect Local Mail in the 1-day service standard.⁷

The Postal Service also proposes, pursuant to 39 CFR 3055.5, to modify the existing SPM Plan to add USPS Connect Local Mail, describe the approach that will be followed to measure its service performance, and identify when such performance measurements will be reported. Notice at 4.

Finally, the Postal Service requests, pursuant to 39 U.S.C. 3691(b)(2), that the Commission approve the Postal Service's use of internal SPM to measure service performance for USPS Connect Local Mail. *Id.* The Postal Service specifically proposes using its existing internal Intelligent Mail package barcode (IMpb) system, which employs automated equipment to sort and track mailpieces. *Id.* at 4-5. The Postal Service proposes using IMpb tracking barcode scans at acceptance and delivery to measure service performance for USPS Connect Local Mail. *Id.* at 5.

Interested persons are invited to comment on the Postal Service's planned new service standards for USPS Connect Local Mail, proposed revisions to its SPM Plan, and request to use internal service performance measurement for USPS Connect Local Mail. Comments are due December 14, 2022. The Commission does not anticipate the need for reply comments at this time. The Commission intends to evaluate the comments received and use those suggestions to help carry out its service performance measurement responsibilities under Title 39 of the United States Code. Material filed in this docket will be available for review on the Commission's website, <http://www.prc.gov>. The Commission appoints Christopher C. Mohr to represent the interests of the general public (Public Representative) in this docket.

⁷ *Id.* at 3-4. This proposed change was published in the *Federal Register*. See 87 Fed. Reg. 73468-69 (Nov. 30, 2022).

It is ordered:

1. Docket No. PI2023-1 is established for the purpose of considering the Postal Service's planned new service standards for USPS Connect Local mail, proposed revisions to its Service Performance Measurement Plan for Market Dominant products, and request to use internal service performance measurement for USPS Connect Local Mail.
2. Interested persons may submit written comments on any or all aspects of the Postal Service's proposals no later than December 14, 2022.
3. Christopher C. Mohr is designated to represent the interests of the general public in this docket.
4. The Secretary shall arrange for publication of this Notice in the *Federal Register*.

By the Commission.

Erica A. Barker
Secretary