

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

RECEIVED

APR 14 4 28 PM '00

POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 6, QUESTION 9  
(April 14, 2000)

In accordance with Presiding Officer's Ruling No. R2000-1/36 (April 12, 2000),  
the United States Postal Service hereby provides its response to Presiding Officer's  
Information Request No. 6, Question 9.

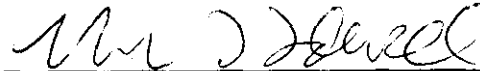
The question is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



Michael T. Tidwell

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2998; Fax -5402  
April 14, 2000

RESPONSE OF UNITED STATES POSTAL SERVICE  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 6 QUESTION 9

9. The Postal Service's response to DFC/USPS-49 includes an attachment describing the PETE system stating that it is modeled closely after EXFC. According to the attachment, data is collected for 85 performance clusters. For each quarter of FY1998 and 1999, to what extent was First Class Mail delivered as fast or faster than Priority Mail for any of the 85 clusters? Explain in detail how you arrived at the analysis.

**RESPONSE:**

Comparison of EXFC and PETE Overnight Service Performance

EXFC is an external measurement system of collection box to mailbox delivery performance. Currently EXFC continuously tests a panel of 465 ZIP Code areas selected on the basis of geography and volume density from which 90% of First-Class volume originates and 80% destinate. Through FY 1999 PQ 2, EXFC tested a panel of 303 ZIP Code areas. EXFC is not a system-wide measurement of all First-Class Mail performance.

PETE is an external measurement system of collection point to mailbox delivery performance. PETE continuously tests a panel of 301 ZIP Code areas selected on the basis of geography and volume density from which 71% of Priority Mail volume originates and 67% destinate. PETE is not a system-wide measurement of all Priority Mail performance.

The EXFC and PETE 3-digit ZIP Code area test domains are not the same. The EXFC test area was expanded beginning FY 1999 PQ 3. The following table compares the test domains.

RESPONSE OF UNITED STATES POSTAL SERVICE  
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 6 QUESTION 9

	FY 1998 - FY 1999 PQ 2	FY 1999 PQ 3 / 4
Total EXFC ZIP Code Areas	302	465
Total PETE ZIP Code Areas	301	301
EXFC ZIPs not in PETE	65	184
PETE ZIPs not in EXFC	63	20
Common PETE / EXFC ZIPs	238	281

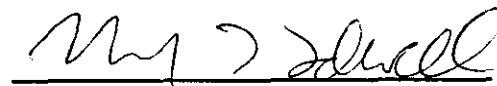
Prior to FY 1999 PQ 3, the common test domain covered about 62% of the originating and 56% of the destinating identified Priority volume. After EXFC expansion, the common test domain covers about 69% of the originating and 63% of the destinating Priority volume.

The following table shows the compares destination cluster performance in EXFC and PETE for overnight committed Priority Mail. Only the common service area between EXFC and PETE are included in these data. There are 85 performance clusters. However, the Alaska performance cluster has no overnight service area.

	Common ZIP Codes	Clusters better in EXFC	Clusters better in PETE
FY 1998 PQ 1	238	78	6
FY 1998 PQ 2	238	79	5
FY 1998 PQ 3	238	75	9
FY 1998 PQ 4	238	44	40
FY 1999 PQ 1	238	59	25
FY 1999 PQ 2	238	76	8
FY 1999 PQ 3	281	67	17
FY 1999 PQ 4	281	66	18

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

A handwritten signature in black ink, appearing to read "Michael T. Tidwell", is written over a horizontal line.

Michael T. Tidwell

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2998 Fax -5402  
April 14, 2000