

**BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001**

**Complaint on First-Class Mail
Service Standards**

Docket No. C2001-3

**DOUGLAS F. CARLSON
NOTICE OF FILING OF CORRECTED PAGE
OF DIRECT TESTIMONY (DFC-T-1) — ERRATUM**

February 6, 2004

I have attached a new page 34 of my direct testimony.¹ The new page corrects the error discussed in my response to OCA/DFC-T1-9.

Respectfully submitted,

Dated: February 6, 2004

DOUGLAS F. CARLSON

¹ Direct Testimony of Douglas F. Carlson (DFC-T-1), filed December 8, 2003.

1 **B. On-Time Percentage**

2 The on-time percentage measures the percentage of mail that is delivered
3 within the number of days prescribed by the service standard.

4 Out of 255 origin-destination pairs, the on-time percentage increased in
5 189 pairs. The on-time percentage decreased in 64 pairs, and it remained the
6 same in two pairs. This improvement in on-time percentage came at the
7 expense of speed. Since most customers do not know the specific service
8 standard for delivery of their mail, only the Postal Service is likely to congratulate
9 itself for this accomplishment.

10 Consider customers — either senders or recipients, since one or both
11 customers may care about speed of delivery — using First-Class Mail to transmit
12 correspondence from Portland, Oregon, to San Diego. The on-time percentage
13 rose from 85.6 percent in two days in FY 1999 to 87.4 percent in three days in
14 FY 2002. The Postal Service probably was pleased to report to the public that
15 the percentage of mail delivered “on time” rose. For customers, however,
16 average days to delivery increased 0.7 days. Common sense suggests that only
17 the Postal Service derived a victory from these numbers. For customers, service
18 declined.

19 **C. Variability in Delivery Time**

20 Under the second definition of consistency, the frequency with which mail
21 is delivered on a particular day is important. Higher variability¹ in delivery time
22 leads to lower consistency. If 90 percent of mail is delivered in three days and 10
23 percent is delivered in two days, the variability is less than if 50 percent of the
24 mail is delivered in two days and 50 percent is delivered in three days. To
25 describe variability mathematically, I calculated the absolute value of the
26 difference between the percentage of mail delivered in two days and the

¹ “Variability” does not carry the meaning of the statistical term “variance.”