

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

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POSTAL RATE AND FEE CHANGES  
PURSUANT TO PUBLIC LAW 108-18

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Docket No. R2005-1

NOTICE OF THE UNITED STATES POSTAL SERVICE  
REGARDING EXCLUSION OF CONFIRM SERVICE  
FROM GENERAL RATE PROCEEDING

The Postal Service is filing today a request that involves modest price increases for all rates and fees with a single exception: Confirm, fees for which appear in Fee Schedule 991. This Notice attempts to clarify and put in context the current and future status of Confirm.

Fees for Confirm were established pursuant to Docket No. MC2002-1. Confirm involved the introduction of a PLANET barcode, which Postal Service barcode sorting equipment was modified to read without delaying any mail processing. The value of Confirm – to both customers and the Postal Service itself – consisted of the ability to track mail as it flows through the system. Lead witness Bakshi observed, “This new feature will enable the Postal Service to generate performance measurement and troubleshooting information.” USPS-T-1 at 4.

Confirm is a technology-dependent product that is still in its early stages of development compared with other service offerings. In actual operations since its establishment, Confirm has shown promise. As can easily be the case with new

technology, however, Confirm has experienced significant implementation complications. At the same time, customers are still learning how to use it.

For Confirm to work properly, thousands of pieces of postal automation equipment spread throughout the country must continuously, and accurately, scan mail pieces as they flow through the system. Then, in near real time, these millions of scans must be communicated to appropriately programmed servers, which in turn summarize and serve reports to customers. While the reliability of scan rates, aggregation of scans, and reports continues to improve, Confirm's implementation has not been flawless.

Meanwhile, the market has been relatively slow in reacting to Confirm. Some of that delay probably derives from service inconsistency; but some of the hesitancy is likely due to a marketplace learning how best to use Confirm.

In a context that involves comparatively rapid evolution of the Confirm infrastructure, and steep learning curves for both customers and the Postal Service regarding how Confirm can best be used, the Postal Service has concluded that an in-depth review of Confirm operations and performance, as well as evaluation of its price structure, is warranted. Consequently, it has concluded that it would be premature to propose increased fees at this time. The Postal Service is now evaluating its options,

including the potential for changing the structure of the fee schedule, and expects that it will address both fees and service aspects of Confirm in a separate proceeding to be filed in the future.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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Daniel J. Foucheaux, Jr.  
Chief Counsel

### **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.

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