

ORDER NO. 21

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

Before Commissioners:

Dan G. Blair, Chairman;  
Dawn A. Tisdale, Vice Chairman;  
Mark Acton; Ruth Y. Goldway;  
and Tony Hammond

Service Standards and  
Performance Measurement  
For Market Dominant Products

Docket No. PI2007-1

NOTICE OF REQUEST FOR COMMENTS  
ON MODERN SERVICE STANDARDS AND PERFORMANCE  
MEASUREMENT FOR MARKET DOMINANT PRODUCTS

(Issued June 13, 2007)

The Postal Accountability and Enhancement Act, Public Law 109-435 (PAEA), directs that “the Postal Service shall, in consultation with the Postal Regulatory Commission, by regulation establish (and may from time to time thereafter by regulation revise) a set of service standards for market-dominant products.” 39 U.S.C. § 3691. It also directs the establishment of performance measurements for market-dominant products. 39 U.S.C. §§ 3691(b)(1)(D), (b)(2). The statute requires that these tasks be completed by December 20, 2007. *Id.* at § 3691(a).

Prior to fulfilling its consultative role under 39 U.S.C. § 3691(a) and its obligations under title III of the PAEA, the Postal Regulatory Commission (Commission) is issuing this Public Inquiry to obtain public comment on these topics. The Commission is establishing Docket No. PI2007-1 for the purpose of receiving such comments. The Commission intends to evaluate the comments received and use those suggestions to

help carry out its service standards and performance measurement responsibilities under the PAEA. Docket PI2007-1 is established for the purpose of obtaining a broad spectrum of opinion to inform Commission consultation providing guidance to the Postal Service in connection with the Commission's responsibilities regarding service standards and performance measurement under the PAEA. *Id.*

Interested persons are invited to provide written comments and suggestions on what the modern service standards should be and what system or systems of performance measurement should be utilized to evaluate whether those service standards have been met. Comments and suggestions are due by July 16, 2007. All comments and suggestions received will be available for review on the Commission's website, <http://www.prc.gov>. Interested persons are further invited to review these submissions and provide replies, including follow-up comments and suggestions by July 30, 2007.

Commenters are requested to specifically explain how suggestions will comport with the specific applicable statutory objectives and factors as set out below.

A. Objectives

The modern service standards for market dominant products shall be designed to meet the following objectives:

1. enhance the value of postal services to both senders and recipients;
2. preserve regular and effective access to postal services in all communities, including those in rural areas or where post offices are not self-sustaining;
3. reasonably assure Postal Service customers delivery reliability, speed and frequency consistent with reasonable rates and best business practices; and

4. provide a system of objective external performance measurements for each market dominant product as a basis for measurement of Postal Service performance. (Note: an internal measurement system may be implemented instead with the Commission's approval.)

B. Factors

The modern service standards for market dominant products shall take into account the following factors:

1. the actual level of service that the Postal Service customers receive under any service guidelines previously established;
2. the degree of customer satisfaction with Postal Service performance in the acceptance, processing and delivery of mail;
3. the needs of Postal Service customers, including those with physical impairments;
4. mail volumes and revenues projected for future years;
5. the projected growth in the number of addresses the Postal Service will be required to serve in future years;
6. the current and projected future cost of serving Postal Service customers;
7. the effect of changes in technology, demographics, and population distribution on the efficient and reliable operation of the postal delivery system; and
8. the policies of title 39 and other factors as the Postal Service determines are appropriate.

*It is ordered:*

1. Docket No. PI2007-1 is established for the purpose of receiving comments to provide guidance to the Postal Service in connection with the Commission's obligations regarding service standards and performance measurement.
2. Interested persons are invited to provide written comments and suggestions on what the modern service standards should be and what system or systems of performance measurement should be utilized to evaluate whether those service standards have been met by July 16, 2007.
3. Reply comments also may be filed by July 30, 2007.
4. Kenneth E. Richardson, Acting Director of the Office of the Consumer Advocate, is designated to represent the interests of the general public in this docket.
5. The Secretary shall arrange for publication of this Notice in the *Federal Register*.

By the Commission.

Steven W. Williams  
Secretary