

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

**Periodic Reporting of Service Performance
Measurements and Customer Satisfaction**

Docket No. RM2009-11

**REPLY COMMENTS
OF THE
PARCEL SHIPPERS ASSOCIATION
ON PRC NOTICE OF PROPOSED RULEMAKING**

The Parcel Shippers Association (PSA) submits these Reply Comments in response to Postal Regulatory Commission (PRC) Order No. 292. Order No. 320 allowed interested persons to submit Reply Comments in the above-entitled proposed rulemaking by December 1, 2009. PSA strongly supports the Commission's proposed service performance reporting requirements for market-dominant products.

In Order No. 292, the Commission made the following request:

If a new requirement in these proposed rules is viewed by the Postal Service as particularly onerous, or involves costly new data collection that does not appear to add needed transparency, the Postal Service is requested to identify it and attempt to *quantify its incremental cost (emphasis added)*.

PRC Order No. 292 at 2.

The Postal Service states its opinion that both cost and burden are important principles to be considered when designing reporting requirements, Postal Service Comments at 5-6, 8-9. But, the Postal Service's Comments on service performance

reporting (rather than customer satisfaction) include only one cost figure and that relates to an existing system, not to the incremental cost of any of the proposed rules. Postal Service Comments at 6, footnote 5. Thus, it is not possible to determine whether the burden, if any, imposed by a reporting requirement is justified.

Despite the lack of cost information relating to burden, the Postal Service (at 41) recommends that it only report product-level service performance annually and on a national basis. As proposed by the Postal Regulatory Commission and strongly supported in PSA's Comments and previous filings, service performance should be reported quarterly and at a granular level. This is particularly true for products for which a significant amount of performance data is or will be available. The Postal Service's Comments suggest there will be significant data available for market-dominant parcels.¹ Consistent with this suggestion, the Parcel Subgroup of Mailers' Technical Advisory Committee (MTAC) Workgroup 123 found and documented in its final report,

[T]he USPS is [already] able to run service performance reports on all market dominant parcels in its internal [Enterprise Data Warehouse]-Product Performance Reporting.²

In fact, these existing reports provide much more detail than required by the PRC proposal.

¹ See, e.g., Postal Service Comments at 26-27 where it states, "With [unquantified] effort and expense, it would probably be feasible to provide the required documentation for the Package Services products of Single-Piece Parcel Post, Bound-Printed Matter Parcels, and Media/Library Mail, as well as First-Class Mail and Standard Parcels, all of which use the data from the Product Tracking System with respect to parcels having Delivery Confirmation." Also, note that parcels are not specifically identified as problems in Section VII of the USPS Comments. The Postal Service does raise general problems with reporting Standard Mail service performance by product, but these problems appear to relate only to products, *i.e.*, letters and flats, for which service performance will be measured using Full-Service Intelligent Mail®. Also, the magnitude of this general problem is unclear because the Postal Service does not quantify the volume of mail for which product cannot be identified. *Id.* at 33.

² The final report refers to Mailers' Technical Advisory Committee Workgroup #123. Final Recommendations Report: Service Information Needs, Reporting, and Communication Channels (February 9, 2009) at 16.

Given the absence of sufficient cost information to allow a reasoned evaluation of the costs and benefits of the proposed rules, PSA urges the Commission not to make significant changes to the proposed rules.

Finally, proposed rule 3055.3 permits the Postal Service to petition the Commission for exceptions to the reporting requirements. In such cases, PSA urges the Commission to clarify that interested parties will have an opportunity to comment.

Respectfully submitted,

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