

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

ANNUAL COMPLIANCE REPORT, 2009

Docket No. ACR2009

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
QUESTION 5 OF CHAIRMAN'S INFORMATION REQUEST NO. 3
(February 22, 2010)

Chairman's Information Request No. 3 was issued on January 29, 2010. Responses were requested by February 5, 2010. Attached is the Postal Service's response to Question 5. Each request is stated verbatim, and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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5. The FY 2009 Annual Compliance Report states (at 12-13) that both the EXFC and the IMMS on-time performance systems were "expanded from coverage of 463 3-digit ZIP Code areas to 892 3-digit ZIP Code areas" and "on-time performance in the expansion ZIP Codes lagged behind performance in the core 463 ZIP Codes...."

- (a) Please explain why on-time performance in the expansion ZIP Codes lagged behind performance in the core ZIP Codes.
- (b) Please identify the actions taken to close the service performance gap between the core ZIP Codes and the expansion ZIP Codes.
- (c) The FY 2009 ACR states (at 13): "Several new reports were created to assist field managers in closing the performance gap between core and expansion ZIP Codes."
 - i. Please provide sample copies of the new reports; and
 - ii. Explain how the reports assist field managers in closing service performance gaps.

RESPONSE:

(a) The majority of expansion ZIP Codes were comprised of remote, rural geographical areas that encompass vast distances within a 3-digit ZIP Code area. The geographical distances increased the challenges of meeting established service standards. In addition, prior to expansion, the additional ZIP Codes did not have the metrics in place to monitor performance and identify problem areas.

(b) Service performance gaps are reviewed in weekly service meetings with senior Operations executives. This subject is also discussed with Area senior executives during Monthly Area reviews, at which time service improvement opportunities are identified. In particular, leadership in the expansion ZIP Codes have been educated on

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existing reports and diagnostic tools to they could analyze performance to identify deficiencies and take corrective action.

(c) Attached to this response electronically are sample copies of reports developed to assist field managers in improving service performance. The Operational Path Analysis reports (ChIR.3.Q.5.Op.Path.xls) show where the largest gaps in service occurred, in order to enable management to focus in the right places. EXFC Root Cause Failure Analysis Reports (ChIR.3.Q.5.Root.Cause.xls), utilizing scan data available through the use of PLANET Codes, also highlight the areas of greatest opportunity for improvement by focusing on the processing steps that had the greatest negative impact on service scores.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

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