

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

ANNUAL COMPLIANCE REPORT, 2009

Docket No. ACR2009

NOTICE OF THE UNITED STATES POSTAL SERVICE OF REVISED
RESPONSE TO QUESTION 14 OF CHAIRMAN'S
INFORMATION REQUEST NO. 2 – ERRATA
(February 24, 2010)

Chairman's Information Request No. 2 was issued on January 22, 2010.

Responses were provided on February 1, 2010, including a response to Question 14. Attached is a revised response to Question 14. The request is stated verbatim, and followed by the revised response, which entirely replaces the original response. The revisions are necessary because change in test piece format (from letters only, to letters and flats) occurred in CY08, rather than CY09 as stated in the original response. Note also that a non-public (unredacted) version of the response was filed as part of USPS-FY09-NP31, and the revised portions of the public version apply to the corresponding portions of the nonpublic version, but nothing which had been redacted is changed.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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February 24, 2010

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14. The following questions pertain to the quality of service link to terminal dues.
- (a) For CY 2008, please provide the final monthly and annual quality of service measurement results for the link to terminal dues that were provided to the Postal Service by the International Post Corporation or its contractor.
 - (b) For Quarter 4 of CY 2009, please provide the monthly quality of service measurement results for the link to terminal dues that were provided to the Postal Service by the International Post Corporation or its contractor.
 - (c) For each quarter (i.e., Quarters 1, 2, and 3, covering the period January – October 2009) of CY 2009, and for CY 2009 Year-to-Date, please provide the preliminary monthly quality of service measurement results for the link to terminal dues that were provided to the Postal Service by the International Post Corporation or its contractor.
 - (d) Please confirm that the Postal Service is submitting queries to the International Post Corporation or its contractor concerning questionable test items and panelists. If confirmed, please identify the number and subject matter of such inquiries. If those queries are resolved in favor of the Postal Service, please provide the expected change in the performance scores and the impact on revenue.

RESPONSE:

- a) Responsive data are provided under seal in USPS-FY09-NP-31, in the file entitled ChIR.2.Q.14Resp.pdf.
- b) Responsive data are provided under seal in USPS-FY09-NP-31 in the file entitled ChIR.2.Q.14Resp.pdf. Please note that data provided by the IPC are provided on a monthly rather than quarterly basis, and weighting of the results is annualized. The Postal Service does not attempt to convert IPC data on a quarterly basis. Hence, the Postal Service is furnishing responsive data, to include the preliminary monthly quality of service measurement results for

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Quarter 4 of CY2009. We note, moreover, that the test piece format changed during CY2008, from letters only, to letters and flats. The normal practice is for the IPC to release annualized data by March of the following year in time for the spring session of the Postal Operations Council. Monthly data for December 2009 would also not be finalized until that time.

- c) Responsive data is provided under seal in USPS-FY09-NP-31 in the file entitled ChIR.2.Q.14Resp.pdf. Please note that data provided by the IPC are provided on a monthly rather than quarterly basis, and weighting of the results is annualized. The Postal Service does not attempt to convert IPC data on a quarterly basis. Hence, the Postal Service is furnishing responsive data, to include the preliminary monthly quality of service measurement results for Quarters 1, 2, and 3 of CY2009, and for CY2009 Year-to-Date. We note, moreover, that the test piece format changed during CY2008, from letters only, to letters and flats. The normal practice is for the IPC to release annualized data by March of the following year in time for the spring session of the Postal Operations Council. Monthly data for December 2009 would also not be finalized until that time.
- d) Confirmed; the USPS does submit queries to Research International concerning questionable test items and panelists. Precise information on the number of inquiries filed in CY2009 is not available because many records relating to inquiries were archived. Based on available records, however, the Postal Service estimates that this past year, roughly [REDACTED] percent of its queries were successful. The subject matter of each inquiry relates to inconsistencies

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detected by Postal Service analysts in reviewing the data. The most common example of inquiry subject matter consists of a request to confirm that the panelist was available to receive an item on the specified date. Another example of an inquiry considerable effort. Specifically, the Postal Service would have to undertake the following to generate these data for CY 2009:

- Acquire an understanding from IPC on the methodology by which the CY 2009 quality link measurement system (QLMS) results for mail exchanged between industrialized countries were generated. Note that in CY2009 and approximately the latter half of CY2008, both letters and flats were tested, while in early CY2008 only letters were tested.
- Obtain the methodology used by IPC to address the issue of how to calculate the correct annualized test result for the year, where only letters were tested during the first half of CY2008 and where both letters and flats were tested from the middle of CY2008 to the end of CY2009.
- Obtain the data inputs from IPC used in these calculations, to include the country to US weights and country to US destination city weights for CY2009.
- Write new SAS programs that will calculate the CY2009 scores correctly, calculating the correct scores for flats and letters separately and correctly calculating the combined score using the new methodology.
- Obtain from IPC or its contractor information about the rejected QLMS data, and provide the data in the same format as those that were accepted.

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- Perform additional analysis on rejected QLMS pieces and merge them with the accepted QLMS pieces into a single input data set, and then feed these data into the SAS programs to generate comparative scores.
- For CY2009, obtain the number of rejected pieces and then enter data into the new 2009 SAS computer programs.
- Compare the SAS output results using (a) data with accepted pieces only, and (b) data with both accepted and rejected pieces.

An unredacted version of this response is provided under seal in USPS-FY09-NP31.

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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