

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

SEMI-PERMANENT EXCEPTIONS FROM
PERIODIC REPORTING OF SERVICE
PERFORMANCE MEASUREMENT

Docket No. RM2010-14

**UNITED STATES POSTAL SERVICE REQUEST FOR SEMI-PERMANENT
EXCEPTION FROM PERIODIC REPORTING OF SERVICE PERFORMANCE
MEASUREMENT**
(September 30, 2010)

Pursuant to the Commission's Order No. 465¹ and 39 C.F.R. § 3055.3(a)(2), the United States Postal Service (Postal Service) hereby submits its initial request for a semi-permanent exception from the periodic reporting of service performance measurement for Applications and Mailing Permits, a market-dominant Special Services product. Consistent with its establishment of service standards, the Postal Service requests this semi-permanent exception because the nature of this product does not admit of reasonable performance measurement.

I. Background

In Order No. 465, the Commission established a formal process for the Postal Service to apply for "semi-permanent exceptions from reporting" in "instances that . . . should be readily identifiable and justifiable."² As one justification for a semi-permanent

¹ PRC Order No. 465, Order Establishing Final Rules Concerning Periodic Reporting of Service Performance Measurements and Customer Satisfaction, Docket No. RM2009-11, May 25, 2010, at 22, 61.

² *Id.* at 22.

exception, the Postal Service must demonstrate that one of the product or product component defies meaningful measurement.³

On June 25, the Postal Service filed a request for semi-permanent exceptions in accordance with Order No. 465.⁴ This request included several Special Services products that the Commission's rules do not require to be reported individually, but rather as components of an aggregate "All Other Ancillary Services Combined" reporting category. On September 3, the Commission issued Order No. 531, wherein the Commission approved the Postal Service's request in full with regard to these Special Services.⁵

Subsequent review has indicated that the Ancillary Service at issue in this request should have been included in the Postal Service's June 25 request, but was inadvertently omitted. The Postal Service regrets any inconvenience this may have caused. To the extent that a waiver is required as to Order No. 465's June 25 deadline for such requests, the Postal Service respectfully asks that this request be construed as a motion for such a waiver.

II. Applications and Mailing Permits

In order to mail many bulk products, the Postal Service may require an application, mailing, or permit fee. For most market-dominant products, the customer must pay an annual permit mailing fee at each acceptance location. Mailers seeking to use permit imprint must pay a fee as a condition of Postal Service authorization. The

³ 39 C.F.R. § 3055.3(a)(2). As explained in Order No. 465, a product "component" can mean a standalone service grouped under an umbrella product for administrative purposes, such as Stamped Cards within the Ancillary Services product. Order No. 465 at 34.

⁴ United States Postal Service Response to Order No. 465 and Request for Semi-Permanent Exceptions from Periodic Reporting of Service Performance Measurement, Docket No. RM2010-11, June 25, 2010.

⁵ PRC Order No. 531, Order Concerning Postal Service Request for Semi-Permanent Exceptions from Periodic Reporting of Service Performance Measurement, Docket No. RM2010-11, September 3, 2010.

Applications and Mailing Permits product component consists of bill presentment by the Postal Service and payment by the bulk mailer.

Because Applications and Mailing Permits comprises nothing more than a transaction intended to establish or renew permission for a mailer to enter bulk mailings that meet applicable specifications, the Postal Service considered it incompatible with the establishment of service standards for mail transit or for the provision of data related to delivery of specific mail pieces.⁶ Due to the absence of service standards against which to measure and report on the performance of Applications and Mailing Permits, and because the product component's transactional nature makes it akin to other Ancillary Services for which the Commission has granted semi-permanent exceptions,⁷ the Postal Service respectfully requests that the Commission find that Applications and Mailing Permits defies meaningful measurement under 39 C.F.R. § 3055.3(a)(2) and allow the Postal Service to forgo including it in the required aggregate reporting of Ancillary Services.

III. Conclusion

For the reasons discussed above, the Postal Service respectfully requests semi-permanent exceptions from periodic reporting for Applications and Mailing Permits which, by its nature, does not admit of reasonable performance measurement.

⁶ For this reason, Applications and Mailing Permits is absent from the Postal Service's *Federal Register* notices establishing service standards for market dominant products. See Modern Service Standards for Market-Dominant Products, 72 Fed. Reg. 58,946 (proposed Oct. 17, 2007); Modern Service Standards for Market-Dominant Products, 72 Fed. Reg. 72,216 (Dec. 19, 2007).

⁷ Order No. 531 at 15-17, 19, 22 (Change of Address Credit Card Authentication; Certificate of Mailing; International Certificate of Mailing; Money Orders; Stamped Cards, Envelopes, and Stationery; Customs Clearance and Delivery Fee; International Reply Coupons).

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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