

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

SERVICE PERFORMANCE MEASUREMENT  
SYSTEMS FOR MARKET DOMINANT PRODUCTS

Docket No. PI2015-1

**REVISED RESPONSES OF THE UNITED STATES POSTAL SERVICE  
TO QUESTIONS 1 AND 3  
OF CHAIRMAN'S INFORMATION REQUEST NO. 3  
[ERRATA]**

The United States Postal Service hereby files revised responses to Questions 1 and 3 of Chairman's Information Request No. 3. Each of the questions is stated verbatim and followed by a revised response accompanied by an Excel spreadsheet. The revised responses (and accompanying spreadsheets) supersede the original responses filed on May 14, 2015.

Respectfully submitted,

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October 1, 2015

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 3**

Revised: October 1, 2015

1. Please refer to the Postal Service Plan at pages 59 and 60, which shows the Future State decision process/tree (flow diagram) for the First Mile Impact. Assume the following:
- On a Monday (non-holiday), a carrier arrives to collect mailpieces at a residential (blue) collection box with a last posted Collection Time of 5:00 p.m.
  - The residential collection box contains only single-piece First-Class Mail letters.
  - Based upon density studies, the average density for the residential collection box is 200 mailpieces.
  - The barcodes of 3 randomly selected mailpiece barcodes are scanned.
  - The first processing scan event (if it is to occur at all) is typically complete by 10:00 p.m. on Monday for that day's mail.

For each scenario included in the table below, please calculate the Composite First-Leg, Composite Second-Leg, and First Mile Impact (provided in an Excel file). Identify all figures used, and provide the sources for such figures. Where necessary, include additional assumptions or corrections to the provided assumptions, any data necessary to complete the calculations, and an explanation of such assumptions and data.

First Mile Impact	Time carrier scans CPMS barcode (Composite—First-Leg)			
	No Scan	3:00 p.m. Monday (early scan)	5:01 p.m. Monday (on time scan)	7:00 p.m. Monday (late scan)
<b>Time of first processing scan (Composite—Second-Leg)</b>				
3 pieces at 9:00 p.m.	Composite First-Leg	(same)	(same)	(same)
	Composite Second-Leg			
	First Mile Impact			
3 pieces at 11:00 p.m.	(same)	(same)	(same)	(same)
3 pieces at 9:00 p.m. next night (Tuesday)	(same)	(same)	(same)	(same)
No pieces ever scanned	(same)	(same)	(same)	(same)
1 piece scanned at 9:00 p.m., 1 piece scanned at 11:00 p.m., 1 piece scanned at 9:00 p.m. next night (Tuesday)	(same)	(same)	(same)	(same)

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1 piece scanned at 9:00 p.m., 1 piece scanned at 11:00 p.m., 1 piece never scanned	(same)	(same)	(same)	(same)
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**RESPONSE**

This Question seeks calculation of the First Mile impact based on less than a handful of mail pieces. The proposed measurement system is being designed to calculate a statistically valid quarterly First Mile Profile for a postal administrative district based on numerous random scans in that district's service area over the course of a fiscal quarter -- as opposed to the random scans performed on less than a handful of pieces retrieved from a single collection box on one day. However, it may be useful to show how the data from these scenarios would contribute to the calculations to assist with the overall understanding of the measurement methodology.

The Composite First Leg:

The following table shows how the 200 pieces assumed to be in the box on Monday would be treated based on the CPMS scans. In all scenarios, one simplifying assumption needed is that the prior day's scanning occurred on-time.

<b>Scenario</b>	<b>Composite First Leg Contributions</b>
No Scan	200 pieces would count as having spent 1 day in collection (assuming the box received a scan the next day).
3:00PM Scan	183.333 (=200*22/24) pieces would count as having spent 0 days in collection, and the remaining 16.667 (=200*2/24) pieces would count as having spent 1 day in collection (assuming the box received a scan the next day).
5:01PM Scan	If the scan occurred at 5:01pm on Monday, then 200 pieces would count as having spent 0 days in collection.
7:00PM Scan	Assuming that this time was after the cutoff time for mail collected to be processed on the same day, then 200 pieces would count as having spent 1 day in collection.

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**RESPONSE to QUESTION 1 (continued)**

For the composite second leg:

The table below shows how the pieces in each scenario would be treated:

<b>Time of first processing scan (Composite—Second-Leg)</b>	<b>Composite Second Leg Contributions</b>
3 pieces at 9:00 p.m.	3 pieces would count as 0 days in first mile processing.
3 pieces at 11:00 p.m.	3 pieces would count as 1 day in first mile processing.
3 pieces at 9:00 p.m. next night (Tuesday)	3 pieces would count as 1 day in first mile processing
No pieces ever scanned	No data would contribute to first mile calculations if there were no processing scans.
1 piece scanned at 9:00 p.m., 1 piece scanned at 11:00 p.m., 1 piece scanned at 9:00 p.m. next night (Tuesday)	1 piece would count as 0 days in first mile, 2 pieces would count as 1 day in first mile processing.
1 piece scanned at 9:00 p.m., 1 piece scanned at 11:00 p.m., 1 piece never scanned	1 piece would count as 0 days in first mile processing, 1 piece would count as 1 day in first mile processing.

To understand how the First Mile Profile is formed from these elements, it is necessary to have information about the CPMS density and scans of other boxes and about the sample selection probability for this box and others, as well as the target number of pieces to scan at the box. The attached Excel spreadsheet named *First.Mile.Illustration.Calculation* shows the calculation steps.

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3. The following questions concern the Last Mile Impact for single-piece First-Class Mail letters. Refer to the Postal Service Plan at page 18, where it states that the "Last Mile Impact will be calculated based on randomly-selected delivery point scan information." Assume the following facts for each scenario below:
- On Friday (non-holiday), a carrier servicing a residential route delivers only one single-piece First-Class Mail letter to each of the 200 delivery points (mail receptacles) on the route.

Please calculate the Last Mile Impact, and provide a Stop-the-Clock date/time for all mailpieces (provided in an Excel file). Identify all figures used, and provide the sources for such figures. Where necessary, include additional assumptions or corrections to the provided assumptions, any data necessary to complete the calculations, and an explanation of such assumptions and data.

- a. Scenario 1: The carrier delivers the single-piece First-Class Mail letter to each mail receptacle and scans the mailpiece barcode at the randomly selected delivery points on the route.
- b. Scenario 2: The carrier delivers the single-piece First-Class Mail letter to each mail receptacle and does NOT scan the mailpiece barcode at the randomly selected delivery points on the route.

**RESPONSE**

(a-b) Similar to Question 1, this Question seeks calculation of the Last Mile impact based on less than a handful of mail pieces. The proposed measurement system is being designed to calculate a statistically valid quarterly Last Mile impact for an entire postal administrative district based on numerous random delivery scans in the district's service area over the course of a fiscal quarter -- as opposed to the random scans performed on one carrier route on one day. The attached Excel spreadsheet named *LastMile.Illustration.Calculation* explains how the last mile profile calculations work.

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**RESPONSE to QUESTION 3 (continued)**

Suffice it to say that if, as in Scenario 2, no scanning ever takes place, there are no data with which to calculate a Last Mile impact. A scan is necessary in order to determine how many days mail spent in Last Mile.