

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Service Performance Measurement
Systems for Market Dominant Products

Docket No. PI2015-1

PUBLIC REPRESENTATIVE THIRD MOTION
FOR ISSUANCE OF INFORMATION REQUEST

(November 2, 2015)

Pursuant to Rules 39 C.F.R. §3001.21(a) and 39 C.F.R. §3007.3(c), the Public Representative requests that an Information Request be issued to obtain clarification from the Postal Service concerning several aspects of the Postal Service Plan on Service Performance Measurement Systems for Market Dominant Products.¹ The proposed questions seek additional information necessary to allow the Commission and participants to evaluate whether the Service Performance Measurement Plan meets the applicable statutory requirements of 39 U.S.C. §3691.

Proposed Questions

For Questions 1-2, please refer to the Revised Response to Question 4 of CHIR No. 3.²

1. On page 2, with respect to measuring service performance of commercial mail, the Postal Service refers to Seamless Acceptance Service Performance (SASP) and Business Information Data Store (BIDS) together with IMAPS.

¹ USPS Service Performance Measurement (Revised March 24, 2015), March 24, 2015 (Postal Service Plan).

² Revised Response of the United States Postal Service to Question 4 of Chairman's Information Request No. 3, October 7, 2015 (Revised Response to Question 4 of CHIR No. 3).

- a. Please explain what groups (classes, sub-classes) of commercial mail the mentioned above measurement systems cover.
 - b. Please provide the applicable references to obtain information about SASP and BIDS.
 - c. Please indicate if the Postal Service Plan is intended to replace [partially or fully] SASP and/or BIDS? If so, please explain to what extent it will be done, and provide the details regarding the proposed replacement.
2. On page 3, the Postal Service indicates that “[t]here are significant differences between the current external and hybrid systems and the proposed internal SPM system. Therefore, there is no expectation that the service scores generated by the current and proposed systems will be identical.” Please explain if the Postal Service is planning to compare the service scores obtained under the current and proposed systems, assuming that the proposed system is adopted. If so, what would be the methodology for such comparison?

For Questions 3-11, please refer to the Statistical Design Plan³.

3. On page 7 the Postal Service states: “The actual and scheduled collection times for all managed collection points will be used to develop a Collection Profile.”
 - a. Please define “the scheduled collection times.”
 - b. Please explain what collection points will serve as “managed collection points.”
4. On page 7, the Postal Service states: “The Collection Profile will be calculated based on the evaluation of daily Postal Service personnel scanning activities for managed collection boxes in the Collection Point Management System (CPMS) with eligible box types and location types.” Please indicate what box types and location types are considered eligible.

³ Notice of the United States Postal Service Concerning the Filing of the Statistical Design Plan for Internal Service Performance Measurement, August 25, 2015 (Statistical Design Plan).

5. On page 8, there is a description of the methodology for estimating density in the collection boxes for a day of the week. Please indicate if the Postal Service initiated any testing to compare the [statistical] variation between the estimates obtained using the described methodology and the actual density of the particular collection boxes. Please provide the methodology for such testing and its results, if applicable.
6. On page 12, the Postal Service states that initial sampling targets are set at approximately 200 collection boxes per week per district. Please clarify if this number has been determined using the formula presented on page 11. If not, please explain.
7. In footnote 7 on page 12, the Postal Service refers to some small number of 3-digit ZIP codes that “will be excluded from the Carrier Sampling process but will be included in other aspects of measurement.”
 - a. Are these ZIP codes identical to those currently excluded from EXFC?
 - b. Are there any particular geographical areas where these [excluded] ZIP codes are located?
 - c. To what “other aspects of measurement” does the Postal Service refer here?
8. On page 13, the Postal Service indicates that there is still a risk that sampling targets for flats will not be achieved. On the same page, the Postal Service provides some general ideas what can be done to decrease or eliminate such risk.
 - a. Please indicate a time frame when the Postal Service is expecting to solve, or at least minimize, the problem designated above?
 - b. Please describe the Postal Service’s ongoing efforts aimed to ensure that sampling targets for flats are achieved.

9. On page 19, the Postal Service states: “[t]he initial sample size targets were established leveraging the available data from the current service measurement systems.” Please describe (at the high level of detail) what data from the current measurement systems the Postal Service used in the process of estimating the initial sample size targets.
10. On page 19, the Postal Service states: [t]he selected sample size of 3,000 delivery points per week per district, or 500 delivery points per day is expected to be sufficient to yield the precision levels in table 6.1 below for 90 percent of districts for the required quarterly service performance estimates.”
 - a. Please confirm that the sample size of delivery points per week per district would not differ by district. If not confirmed, please provide the range for delivery points per week per district.
 - b. Please provide the detailed statistical methodology and the resulting calculations (including the worksheets) used to estimate the sample size of delivery points (per week per district).
11. On page 31, the Postal Service discusses two types of non-sampling errors.
 - a. Has the Postal Service initiated any testing to evaluate how critical these errors might be? Please provide the results of such testing, if applicable.
 - b. Are you anticipating (under certain conditions in the near future) these errors to become unimportant so that they might be ignored? Please indicate any underlying conditions and possible time frame.

For Questions 12-14, please refer to the USPS Library Reference 1.⁴

12. On slide 7, there is a brief explanation of the density test process, which “[u]ses an actual count for letters or records a linear measurement of letters contained in the box”, “[c]onverts linear measurement to pieces currently at 227 pieces per

⁴ USPS-LR-PI2015-1/1 – USPS Proposed Service Measurement System Statistical Design Plan Technical Conference PowerPoint Slides, October 29, 2015 (USPS Library Reference 1).

foot” and adds “actual piece counts for flats and small parcels”. It is also indicated here that “[m]ail density is measured at least once annually.”

- a. Please explain how you define the “linear measurement of letters” and under what conditions it substitutes the actual count for letters in a tested collection box.
 - b. Please indicate how you estimated 227 pieces per foot, and how often the corresponding number will be re-evaluated.
 - c. Please clarify what you mean by adding “actual piece counts for flats and small parcels.”
 - d. Please indicate if you are conducting density testing for each collection point separately for letters and flats. If not, please explain how you are going to achieve the sampling targets for flats.
 - e. Using an example, please illustrate the density testing process for a collection box.
 - f. Please indicate if you account for any seasonal differences in mail density in a particular collection point. If so, please provide a methodology. If you do not account for any seasonal difference, please explain why.
13. On slide 22, it states: “Delivery points with higher expected volumes will have proportionally greater chances of selection.” Please confirm that the methodology for estimating mail density of delivery points is the same as the methodology for estimating mail density of collection boxes. If not confirmed, please explain the difference and provide the methodology to estimate mail density of collection points.
14. On slide 22, it states: “There is a configurable maximum number of pieces to scan at a delivery point.” Please explain how the Postal Service estimates this maximum number of pieces to scan [at delivery point].

Respectfully submitted,

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