

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Service Performance Measurement
Systems For Market Dominant Products

Docket No. PI2015-1

CHAIRMAN'S INFORMATION REQUEST NO. 5

(Issued November 18, 2015)

To clarify the proposals presented by the Postal Service in its Docket No. PI2015-1 Service Performance Measurement plan, the Postal Service is requested to provide a written response to the following questions.¹ Answers to the questions should be provided as soon as they are developed, but no later than December 7, 2015.

1. The Statistical Design Plan indicates that carriers and postal clerks would scan collection boxes, mail chutes, and also do last mile scans. Will all clerks be provided with scanners to take samples?
2. Of the approximately 151,000 collection boxes included in the software for target samplings, will all 151,000 be selected for sampling in one year? How often will the same box be selected?
3. On page 5 of the Statistical Design Plan, the Postal Service states: "First Mile performance data for the retail channel will be represented by non-sample single-piece mail inducted over the counter at retail locations with Special Services such as Certified Mail. These data will be combined with the Carrier Sampling and

¹ The United States Postal Service, Service Performance Measurement, Revised March 24, 2015 plan filed March 24, 2015, is referred to as the "Postal Service Plan" throughout this information request. The Informed Visibility (IV) Statistical Design Plan for Internal Service Performance Measurement, dated August 19, 2015, filed August 25, 2015, is referred to as the "Statistical Design Plan" throughout this information request.

collection data to formulate the overall First Mile performance estimates.” Please list all the Special Services that will be included.

4. How are First Mile profiles developed? Will the same managed collection points sampled continue to be used for every sampling taken throughout the year?
5. On page 12 of the Statistical Design Plan, the Postal Service states: “PPS sampling will be used to select collection boxes.” How will PPS sampling be applied in order to determine which collection boxes are selected? Since there is limited volume found in collection boxes, will the Postal Service also have external performance measurements on flats?
6. On page 7 of the Statistical Design Plan, the Postal Service states: “[t]he operational requirements for collection box density tests call for such tests to be performed over a two week period at least one time per year.” Who will perform these tests? What is the process for determining which two weeks of the year will be selected for the test?
7. On page 12, footnote 7, of the Statistical Design Plan, the Postal Service states that offices with only a few collection boxes will be excluded from the carrier sampling process. Given that this exclusion may eliminate many post offices with only one collection box, does this mean that the collection scanning will be done on city collection routes only? If other types of routes like rural routes are included, what percentage of the samplings will be done at rural routes compared to city routes?
8. How will retail counters and mail chutes be selected, and are all post offices nation-wide listed in the software? Will Hawaii, Guam, Puerto Rico, and Alaska be included in the sampling locations selected? What post offices and what states are included in the selections listed in the software?
9. In the Statistical Design Plan, the Postal Service states that Special Services such as Certified Mail will be entered at retail entry. Given the rise in Priority

- Mail, does the Postal Service plan to utilize Priority Mail scans as well? If the Postal Service plans to measure Priority Mail scans, has the Postal Service taken the potential deterioration of Priority Mail barcodes under consideration?
10. The Statistical Design Plan establishes a process where sampling targets are distributed across a 3-digit ZIP Code in proportion to volumes of mail. Please provide more detail about this process and an example of how it will be applied.
 11. As the Postal Service consolidates many plants, mail scheduled to go to a gaining facility ends up going to another facility outside the district. How will the estimates take this into account?
 12. Why is the Postal Service only reporting on performance at the district 3-digit ZIP Code level and not at the 5-digit ZIP Code level? How will the sampling be sufficient to give a reliable picture of different sorts of economic, social, and geographic areas of delivery with only the 3-digit ZIP Code level?
 13. On page 19 of the Statistical Design Plan, the Postal Service states: “[a]s a general rule, when Postal Service personnel approach delivery points randomly designated for sampling, the instruction will be to scan the barcodes on all of the mail being delivered on the sampling date, across all of the sampling groups.” Does the letter carrier scan the barcodes of letters and flats at selected delivery points for a specific addressee, or does he or she scan all the mail in a tray for delivery in that neighborhood? When and where does the scan take place, such as at a particular address or at a particular time when the carrier is en route?
 14. On page 23 of the Statistical Design Plan, the Postal Service states that a configurable maximum number of pieces will be scanned. If there is no match with the original scanned piece, will the Postal Service then assume that piece was still delivered?
 15. On page 27 of the Statistical Design Plan, the Postal Service states that the sampling groups for First Mile and Last Mile estimation “are less granular than

the required service performance reporting levels,” but that the sampling groups are reasonable because the Postal Service will make “certain assumptions about the independence between the legs.” What does this mean?

16. On page 31 of the Statistical Design Plan, the Postal Service states that the Postal Service cannot account for “non-sampling error.” Apparently, service performance estimates assume that the First Mile is the same for accountable and non-accountable pieces, and there is no way to evaluate the error that could result. Why is there no method to evaluate the error that the assumption introduces?
17. Approximately 38 percent of the mail deposited is from the home mailbox. Does the Postal Service plan to measure that mail?

By the Acting Chairman.

Robert G. Taub