

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

SERVICE PERFORMANCE MEASUREMENT SYSTEMS  
FOR MARKET DOMINANT PRODUCTS

Docket No. PI2015-1

**NOTICE OF THE UNITED STATES POSTAL SERVICE  
CONCERNING THE FILING OF LIBRARY REFERENCE USPS-LR-PI2015-1/9  
(April 26, 2017)**

The United States Postal Service hereby gives notice that it is filing the following Library Reference with the Commission:

**USPS-LR-PI2015-1/9 USPS Audit Plan PowerPoint Slides**

This Library Reference contains the PowerPoint slides the Postal Service presented and discussed at the Technical Conference at the Postal Regulatory Commission's offices on April 19, 2017. At the request of Commission staff, the Postal Service is filing these materials as USPS-LR-PI2015-1/9 in this docket.

As indicated in Slide No. 34, the Postal Service intends to replace its legacy service performance system, EXFC, with the new internal Service Performance Measurement (SPM) system by October 1, 2017, which is the beginning of the new fiscal year. To plan for this change, the Postal Service respectfully urges the Commission to issue a determination of the use of the new internal SPM Plan by June 1, 2017. Specifically, in an effort to avert unnecessary expense and duplication of effort, the Postal Service must provide at least one quarter's advance notification to its EXFC vendor of its intent to terminate the EXFC contract. Accordingly, the Postal Service would need to notify its vendor by late June 2017, to ensure that the vendor does not begin preparations for Quarter 1 of FY 2018, since such preparations would result in

costs to the Postal Service. In addition, the Postal Service's office of Supply Management (the agency's contracting arm) would need approximately two weeks of lead time to prepare a notice of termination for the EXFC contractor.

If the Commission determines that the Postal Service must continue using the legacy EXFC system for service performance measurement in FY 2018, the Postal Service will need to undertake a different set of planning steps, including preparation of an updated Business Needs Statement and Statement of Work (SOW), development of a required budget for the continuation of the EXFC system, and submittal of appropriate eBuys (our electronic purchasing commitment system). These steps for continuing the EXFC system would need to begin in May 2017.

The Postal Service urges the Commission to issue a favorable disposition of this docket by approving the new internal SPM Plan, as an appropriate replacement for the current EXFC system, as soon as possible. As noted above, the Postal Service must plan appropriately, and sufficiently in advance, for measurement of its service performance; knowing which measurement system must be used in FY 2018 is critical to this planning process. In accordance with Commission Order No. 2544,<sup>1</sup> the Postal Service has provided the Commission with four consecutive quarters of service performance data from the new internal SPM system. The Postal Service has also developed a comprehensive audit plan to ensure the new SPM system's accuracy, reliability, and responsiveness, as noted in the attached PowerPoint presentation. For all of the above reasons,

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<sup>1</sup> Order No. 2544, Interim Order Concerning Service Performance Measurement System for Market Dominant Products, June 17, 2015.

this matter appears ripe for a favorable determination by the Commission, so that the Postal Service may proceed to implement the new internal SPM system.

Respectfully submitted,

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