

CONCURRING OPINION OF VICE-CHAIRMAN TISDALE

There is widespread recognition today that the Postal Service needs to realign its networks to more efficiently and effectively meet the needs of its current and future customers. See Postal Accountability and Enhancement Act of 2006, SEC. 302 (c).

Furthermore, it has been recognized from essentially the beginning of recorded history that prior to initiating a project of the size and scope of realigning postal processing and transportation networks, there must be careful advance planning to assure success. See, for example, "Suppose one of you wants to build a tower. Won't you first sit down and estimate the cost to see if you have enough money to complete it?" Luke 14:28.

The Postal Service has asked the Postal Rate Commission to hold a public proceeding to review the process it is using to evaluate the feasibility and impact on service of potential realignment decisions. The Commission's Advisory Opinion discusses in extensive detail the strengths and weaknesses of that process.

I offer this separate statement to make it clear that in my opinion the Postal Service should be commended for initiating a realignment program, and for seeking advice from an independent source before taking irrevocable steps that might be financially harmful or negatively impact service.

The Postal Service appears to be using state-of-the-art modeling techniques. However, even the most technically advanced models produce valid results only when they use appropriate data.

The Commission finds that in some instances the Postal Service is using inappropriate inputs in its models, and that this casts doubt on the outputs from those models.

This does not mean that realignment is a bad idea — it means that proper data must be employed so that the Postal Service's models will reliably identify beneficial courses of action. If this is done, the Postal Service, its employees, its customers, and the Nation as a whole will benefit.

A handwritten signature in black ink, appearing to read 'Dawn A. Tisdale', written over a horizontal line.

Dawn A. Tisdale, Vice-Chairman