

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

ANNUAL COMPLIANCE REVIEW, 2020

Docket No. ACR2020

RESPONSES OF THE UNITED STATES POSTAL SERVICE TO
QUESTIONS 1-21 OF COMMISSION INFORMATION REQUEST NO. 1

The United States Postal Service hereby provides its responses to the above-listed questions of Commission Information Request No. 1, issued on January 8, 2021. Each question is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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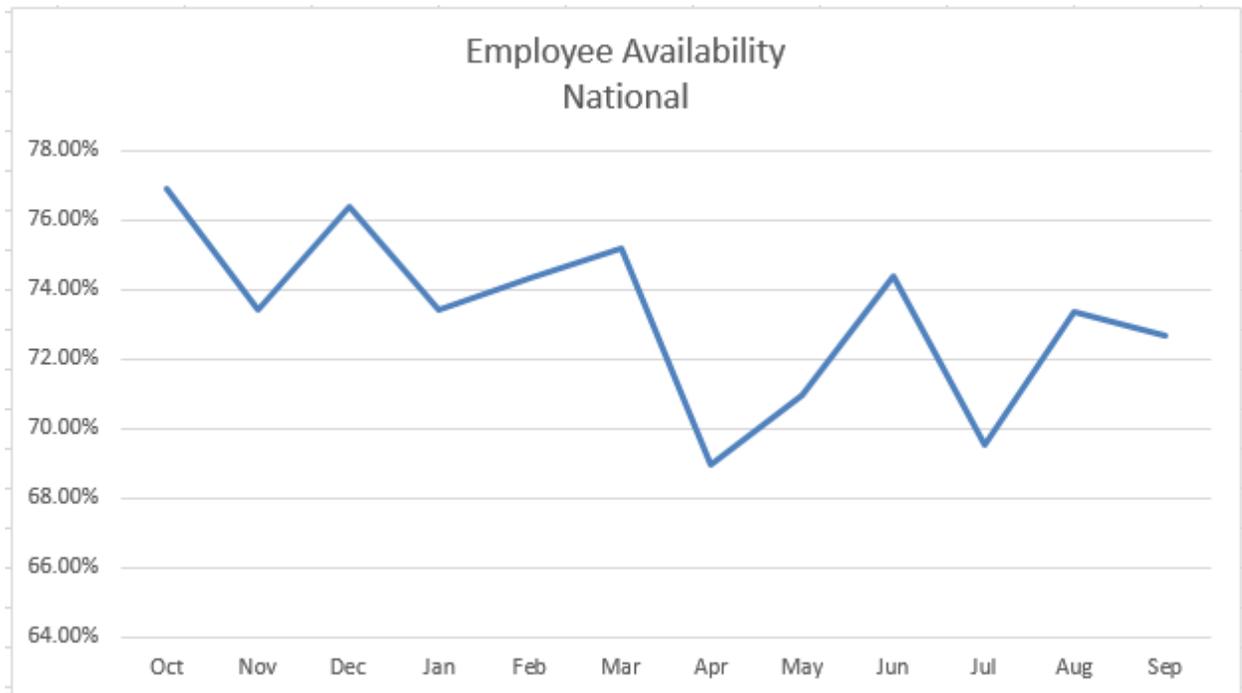
1. The Postal Service states that “[t]he pandemic significantly affected processing, transportation, retail, and delivery operations through, for example, reduced employee availability....” FY 2020 ACR at 38.
 - a. Please explain in detail how reduced employee availability due to COVID-19 impacted on-time service performance results for Market Dominant products nationwide during FY 2020. In the response, please explain how reduced employee availability due to COVID-19 concentrated in one facility and/or concentrated on a particular processing operation impacted on-time service performance at other facilities and/or downstream processing operations.
 - b. For each impact identified in response to part a of this question, please provide quantitative support and identify the metric(s) used. If quantitative support is unavailable for an identified impact, please so state, explain why it is unavailable, and provide qualitative analysis in support of the identified impact.

RESPONSE:

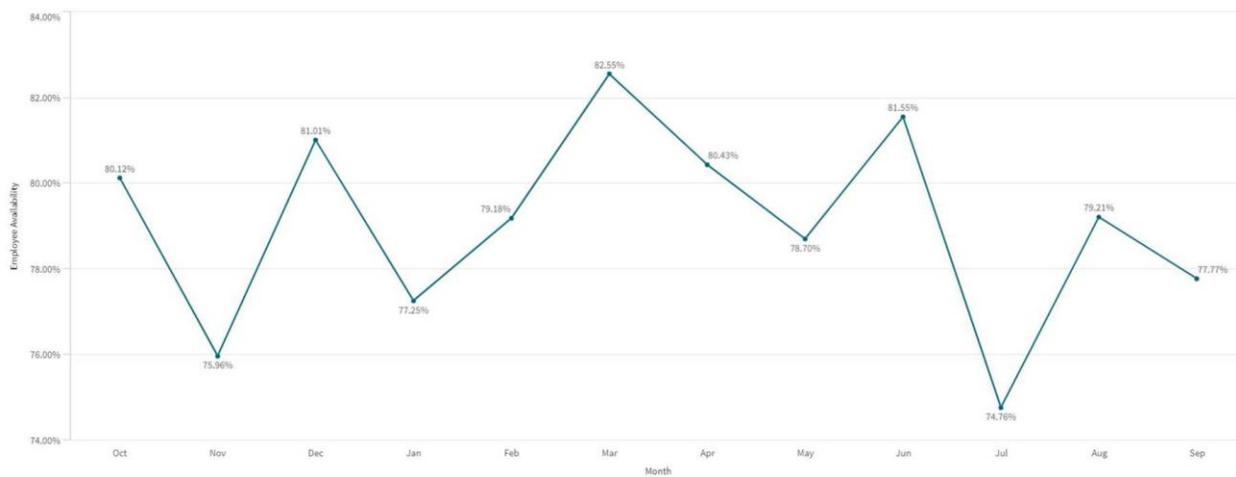
- a. The COVID-19 pandemic reduced employee availability nationally and in numerous pockets of hot spots at different times. One geographic “hot spot” can impact service performance in downstream operations and in other facilities. For example, if site A does not have sufficient resources to clear the mail, it could delay mail destined for sites B, C, D, etc., which impacts service performance. In addition, service performance can also be impacted if there are not sufficient resources for completing Final Mile delivery due to lack of carrier availability in particular geographic areas.
- b. The first chart below shows national employee availability of mail processing full-time regulars in FY 2020 from October 2019 to September 2020. We started the year in October with a high of 76.90 percent and decreased to a low of 68.94 percent in May. The national employee availability rate dipped only into the 60-70 percent range, but there were

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facilities that experienced employee availability rates below 50 percent at times, which severely impacts operations.



A comparable chart for combined Function 2 and Function 4 appears below:



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2. The Postal Service states that it worked to realign its resources to mitigate the service performance impact of reduced employee availability related to COVID-19. *Id.*
- a. Please explain in detail how the Postal Service's efforts to mitigate reduced employee availability due to COVID-19 impacted on-time service performance results for Market Dominant products during FY 2020.
 - b. For each impact identified in response to part a of this question, please provide quantitative support and identify the metric(s) used. If quantitative support is unavailable for an identified impact, please so state, explain why it is unavailable, and provide qualitative analysis in support of the identified impact.
 - c. Please explain in detail how the Postal Service plans to mitigate the impact of reduced employee availability due to COVID-19 on service performance for Market Dominant products in FY 2021.
 - d. Please discuss the impact that any plans identified in response to part c of this question are expected to have on the FY 2021 on-time service performance results for Market Dominant products.
 - e. Please explain how the Postal Service plans to monitor the efficacy of its plans identified in response to part c of this question during FY 2021 and identify the metric(s) that will be used.

RESPONSE:

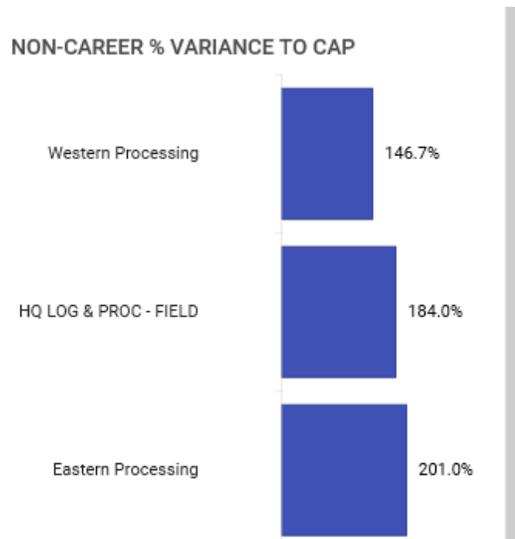
- a. In order to accommodate installations that were experiencing high employee absenteeism because of the COVID-19 pandemic and the liberal leave policy, the Postal Service, along with our postal unions, executed Memorandums of Understanding (MOUs) to allow the Postal Service to exceed the current caps for non-career employees.
- b. Quantitative support is shown below. The chart shows both Western and Eastern Processing Regions Non-career F1 mail processing employees variance to cap at 146 percent and 201 percent respectively. In other

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words, we now have approximately three to four times the amount of new, inexperienced employees in F1 operations than what we normally have in the pre-COVID-19 timeframe. No definitive correlation can be made between the new employees and service performance.

NON-CAREER MAIL PROCESSING EMPLOYEES: PSE, MHA, CAS

Level	On Rolls	Service Break	Future Hires	F1 Scheduler Earned	Variance to Earned	Cap	Variance to Cap	Borrowed From F4	Total
Eastern Processing	28,028	38	106	8,688	19,484	9,276	18,643	1,257	3,795
HQ LOG & PROC - FIELD	175			48	127	2,081	3,828	248	4
Western Processing	18,496	34	44	7,052	11,522	7,582	11,121	806	2,534



- c. The current MOUs continue through March 27, 2021. The Postal Service will continue to seek to be able to mitigate the impact of reduced employee availability through the practice of hiring as needed. The additional non-career employees hired do not have the knowledge, skills

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and abilities that the regular employees have, so on-the-job training is critical to ensure new employees understand their role in postal operations. We are also conducting reviews of employee needs at every mail processing plant. We will be converting non-career to career employees to work to right-size plants for the additional package volume that we continue to see.

- d. We expect the measures discussed in subpart c of this question to help service performance, however the Postal Service's service performance will continue be impacted by these factors until the pandemic is no longer an impact to employee availability and until new employees can gain sufficient experience in mail processing operations. Postal Service employees are in Group 1B for administering of the COVID-19 vaccine, and the Postal Service will continue to coordinate with federal and state health officials regarding all matters related to the COVID pandemic.
- e. We will continue to utilize the dashboard discussed in section b above. The new Headquarters structure in Processing Operations bears the responsibility for tracking the efficacy of the staffing and scheduling model. That staff will continue to evaluate employee needs as the mail mix continues to change.

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3. The Postal Service identifies “contract transportation constraints” as an example of a COVID-19-related impact on Market Dominant service performance during FY 2020. *Id.*
- a. Please explain in detail how COVID-19-related contract transportation constraints impacted on-time service performance results for Market Dominant products during FY 2020. In the response, please explain how COVID-19-related contract transportation constraints concentrated in one location impacted on-time service performance at other facilities and/or downstream processing operations.
 - b. For each impact identified in response to part a of this question, please provide quantitative support and identify the metric(s) used. If quantitative support is unavailable for an identified impact, please so state, explain why it is unavailable, and provide qualitative analysis in support of the identified impact.

RESPONSE:

- a. The Postal Service utilizes commercial air carriers to transport mail. The impacts of flight reductions resulted in a significant loss of capacity for mail normally transported via air transportation. In addition to the loss of commercial air capacity, FedEx Memphis hub staffing also was impacted by COVID-19, resulting in longer operations of the sortation and later departures from the hub. This resulted in later arrival times at destination, impacting the timely processing of mail. The Postal Service also experienced Terminal Handling Service (THS) provider impacts due to COVID-19 impacts on their staffing. For example, one THS provider had a number of employees test positive for COVID-19, and faced challenges attempting to hire additional resources to complete the buildup and break down of airline containers to move mail timely.

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Surface contract transportation has been impacted in three aspects. First, like other businesses in the country, COVID-19 has impacted the availability of drivers due to drivers either being sick from COVID-19 or being quarantined. In addition, with more people either working from home or being home due to businesses being closed, there has been an increase in the online ecommerce package business. The increase in packages has put a strain on the entire shipping industry. Finally, dramatically fewer commercial air flights were and are being scheduled than before the pandemic. This has caused a significant amount of volume to be diverted to surface transportation that would otherwise be in the air. This shortage of transportation has caused late arriving trips and cancelled trips altogether.

Impacts concentrated in one facility can affect downstream facilities. A late departure puts the entire trip at risk. Depending on how late the trip goes out dictates the ability of the receiving site to “rescue” the mail to make service. Market dominant operating plans are very tight and late arrivals that extend beyond an hour can put the mail in jeopardy of not making service. This holds true whether it is a late surface trip or late arriving airplane.

b. Priority Mail volume increased 37 percent in Quarter 3 and 35 percent in Quarter 4, relative to the same period last year. First-Class Package Service volume increased in those quarters by 77 and 60 percent.

During the initial onset of the COVID-19 virus, Commercial Air (CAIR) suppliers canceled flights because of a dramatic shift in passenger demand.

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Mail that was assigned to the suppliers was sometimes held off until the next flight due to flight cancellations. As a result, the mail did not always make the Required Delivery Time (RDT).

This was followed by a reduction in the overall offering of Carrier Generated Routes (CGRs). As a result, the volume of the mail tendered to them overwhelmed the Postal Service's cargo-only suppliers. Additionally, CAIR suppliers were negatively affected by their contractors' Ground Handler/THS staff being absent from work because they either contracted the virus or were fearful of catching the virus. With a reduced workforce, mail was not always processed or staged for flights. In some instances, designating mail already exceeded the RDT upon arrival, or failed to meet the RDT because it was sorted and scanned late due to a lack of resources to handle the designating mail.

On-time Service Performance Comparison for CAIR:

(April 2020 was the first full month of COVID19 affecting the Postal CAIR network. These data do not include Micronesia or American Samoa.)

March through August 2019: 96.10 percent on time performance

- Assigned volume: 189,100,059 lbs. of mail transported

April 2019: 96.35percent on time performance

March through August 2020: 93.15 percent on time performance

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- Assigned volume: 124,359,541 lbs. of mail transported

April 2020: 92.15 percent on time performance

The following figures further illustrate the pandemic's effects described above.



% On Time - Decreased 2.15 percentage points
D&R Assigned - Decreased by 33.5%
Assigned Weight - Decreased by 34.2%
Late D&R at Dest - Increased by 3.1%

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4. The Postal Service states that it worked to realign its resources to mitigate the service performance impact of COVID-19-related contract transportation constraints. *Id.*
- a. Please explain in detail how the Postal Service's efforts to mitigate COVID-19-related contract transportation constraints impacted on-time service performance results for Market Dominant products during FY 2020.
 - b. For each impact identified in response to part a of this question, please provide quantitative support and identify the metric(s) used. If quantitative support is unavailable for an identified impact, please so state, explain why it is unavailable, and provide qualitative analysis in support of the identified impact.
 - c. Please explain in detail how the Postal Service plans to mitigate the impact of COVID-19-related contract transportation constraints on service performance for Market Dominant products in FY 2021.
 - d. Please discuss the impact that any plans identified in response to part c of this question are expected to have on the FY 2021 on-time service performance results for Market Dominant products.
 - e. Please explain how the Postal Service plans to monitor the efficacy of its plans identified in response to part c of this question during FY 2021 and identify the metric(s) that will be used.

RESPONSE:

- a. The Postal Service had to realign its Micronesia and HNL-PPG-HNL schedule because some of the locations did not allow passenger planes to land in specific countries. As a result, some of the passenger trips had to be replaced with freighters that serviced multiple Micronesia islands. This limited the amount of times that the Postal Service could deliver to the islands on a weekly basis.

There are two efforts to mitigate COVID-19 impacts to surface transportation. Both efforts focus on how to reduce the number of trips

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needed since the Postal Service has no influence over the number of drivers or capacity of its suppliers. First, the Postal Service is putting emphasis on making sure that all available volume is dispatched on trucks to reduce the number of extra trips that are needed. Second, for the extra trips due to COVID-19 increased package volume, the Postal Service is utilizing its Surface Transfer Center network to maximize the utilization of trips.

b. These measures limited the amount of times that the Postal Service could deliver to some individual air stops on a weekly basis. The metric used was the change in the schedule to reflect substituting cargo aircraft for passenger aircraft.

c. The Postal Service will continue to use freighters until the COVID-19 restrictions are lifted.

d. Once the cargo-only transport restrictions are lifted, the Postal Service will be able to utilize both passenger and cargo aircraft to transport mail. This will provide additional aircraft to allow the Postal Service to provide an expanded delivery frequency.

e. The Postal Service will continue to monitor the restrictions to transport mail on passenger flights in Micronesia and American Samoa. The metrics used are to monitor government communications on COVID-19 restrictions and its suppliers, providing updates they receive from sources on easing or eliminating COVID-19 restrictions. Once the

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restrictions are lifted, the Postal Service will work with its suppliers to revise the schedule, allowing for a more robust schedule to meet its Market Dominant products.

For surface transportation the Postal Service will continue to use its current Service Measurement tools to identify underperforming service lanes. The metric to be used is on-time service for all product lines.

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5. The Postal Service states that “[t]he pandemic significantly affected processing, transportation, retail, and delivery operations....” *Id.*
- a. Please describe in detail any examples (other than reduced employee availability and contract transportation constraints) of how the pandemic impacted FY 2020 on-time service performance results for Market Dominant products.
 - b. For each impact identified in response to part a of this question, please provide quantitative support and identify the metric(s) used. If quantitative support is unavailable for an identified impact, please so state, explain why it is unavailable, and provide qualitative analysis in support of the identified impact.
 - c. Please explain in detail how the Postal Service plans to mitigate the effects that each impact identified in response to part a of this question will have on service performance for Market Dominant products in FY 2021.
 - d. Please discuss the impact that any plans identified in response to part c of this question are expected to have on the FY 2021 on-time service performance results for Market Dominant products.
 - e. Please explain how the Postal Service plans to monitor the efficacy of its plans identified in response to part c of this question during FY 2021 and identify the metric(s) that will be used.

RESPONSE:

a. Besides the reduced employee availability and contract transportation constraints that greatly affected on-time service performance for Market Dominant products, the Commercial Air (CAIR) market has seen delays related to weight and space restrictions because the suppliers are having a difficult time consistently and accurately predicting passenger volume. When the supplier under-predicts passenger volume, weight and volume restrictions result. This results in holdoffs and the likelihood of missing the RDT.

On the retail side, nearly 100 retail offices were closed or operated with reduced hours in FY 2020 because of the pandemic. At the height of the pandemic, more than 360 alternate access offices were closed or operating with reduced hours. The location

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and operating hours of impacted offices fluctuated based on local orders and circumstances, even as the overall number of offices affected eventually stabilized.

b. Weekly service reviews with the suppliers indicated that time and weight restrictions were due in large part to the unpredictable passenger volume. Previous historically data could not be utilized because COVID-19 was a new event.

c. The office responsible for CAIR is conducting weekly lane performance evaluations to identify lanes significantly and consistently failing RDTs. Service performance calls with the suppliers discuss the service failures and action plans to correct the deficiencies.

d. The impact should be minimal because the office responsible for CAIR is conducting weekly Service Performance calls to correct the performance failures with the supplier. If the service failure cannot be resolved in a sufficient time frame, then another air network will be utilized.

e. As noted in response to part d of this question, monitoring will be conducted via weekly service performance calls.

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6. In discussing decreases experienced in FY 2020 compared to FY 2019 on-time service performance for First-Class Mail in the Capital Metro and Eastern Areas, the Postal Service states that “[t]hese results can be directly attributable to the COVID-19 Pandemic.” Library Reference USPS-FY20-29, December 29, 2020, folder “Area Reports,” PDF files “CapMetro PRC FY 20 Svc Perf Report.pdf” at 1; “Eastern PRC FY 20 Svc Perf Report.pdf” at 1.
- a. Please explain in detail how these results experienced in the Capital Metro and Eastern Areas are attributed directly to COVID-19. Please provide quantitative support and identify the metric(s) used. If quantitative support is unavailable, please so state, explain why it is unavailable, and provide qualitative analysis in support of the attribution.
 - b. Are decreases experienced in FY 2020 compared to FY 2019 on-time service performance for First-Class Mail in locations other than the Capital Metro and Eastern Areas directly attributable to COVID-19?
 - i. If yes, please explain in detail how these results are attributed directly to COVID-19. Please provide quantitative support and identify the metric(s) used. If quantitative support is unavailable, please so state, explain why it is unavailable, and provide qualitative analysis in support of the attribution.
 - ii. If no, please explain why the attribution is limited to the Capital Metro and Eastern Areas.

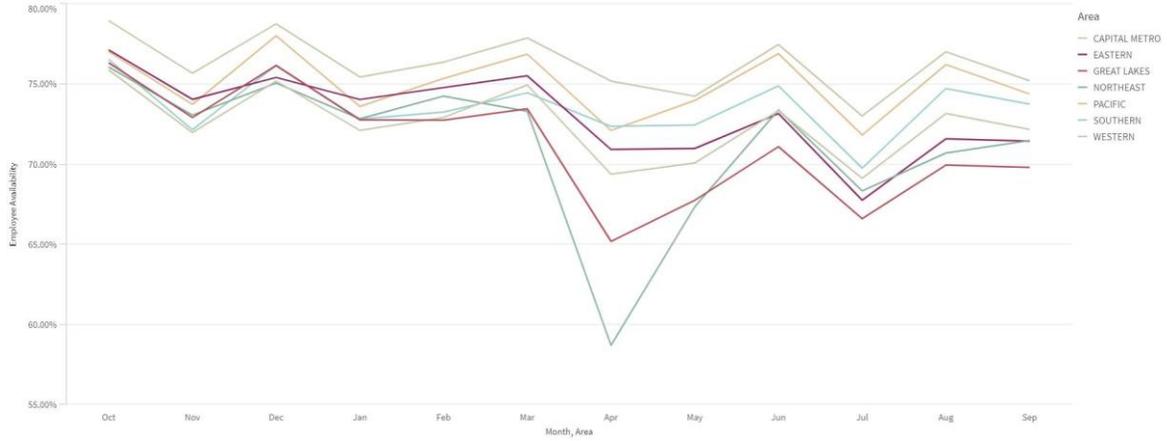
RESPONSE:

- a. As stated in the response to question 1, the COVID-19 pandemic reduced employee availability nationally and in numerous pockets of “hot spots” at different times. As stated in response to question 3 of this CIR, transportation impacts were numerous during this period.
- b. Yes. All areas were impacted.
 - i. The chart below shows employee availability of mail processing full-time regulars in FY 2020 from October 2019 to September 2020 for each area. All areas were impacted by the lack of trained

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employees, which might have contributed to declines in service performance.

ii N/A



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7. In discussing increased transit impacts experienced in FY 2020 compared to FY 2019 for First-Class Mail in the Western Area, the Postal Service states that “[t]his was largely caused by impacts from the COVID-19 Pandemic.” Library Reference USPS-FY20-29, December 29, 2020, folder “Area Reports,” PDF file “Western PRC FY 20 Svc Perf Report.pdf” at 3.
- a. Please explain in detail the reasons that are not related to COVID-19 for increased transit impacts experienced in the Western Area during FY 2020. Please provide quantitative support and identify the metric(s) used. If quantitative support is unavailable, please so state, explain why it is unavailable, and provide qualitative analysis in support of the attribution.
 - b. Please explain in detail how these increased transit impacts experienced in the Western Area are attributed to COVID-19. Please provide quantitative support and identify the metric(s) used. If quantitative support is unavailable, please so state, explain why it is unavailable, and provide qualitative analysis in support of the attribution.
 - c. Are increased transit impacts experienced in FY 2020 compared to FY 2019 for First-Class Mail in locations other than the Western Area largely caused by COVID-19?
 - i. If yes, please explain in detail how these results are attributed to COVID-19. Please provide quantitative support and identify the metric(s) used. If quantitative support is unavailable, please so state, explain why it is unavailable, and provide qualitative analysis in support of the attribution.
 - ii. If no, please explain why the attribution is limited to the Western Area.

RESPONSE:

- a. During FY 2020, transit impacts (defined as pieces processed on time at origin, and late at destination) were negatively affected by the COVID-19 pandemic. The way in which they were impacted is not quantifiable. Each processing day and individual issue that caused service impacts had varying degrees of COVID-19 related impacts, with employee availability and transportation of First-Class Mail (FCM) being the root issues of the

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Root Causes that had larger impacts in FY 2020. In order of the original data provided, those were: Single Piece First-Class Mail (SPFCM) Transit Late Destination Primary Scan and Presort First-Class Mail Transit Late Secondary Scan, Transit Missing Outgoing Scan, and Transit Missing Destination Primary Scans. SPFCM pieces with Transit Late Destination Primary Scan Root Cause reflect the issues that occurred with transporting SPFCM from origin to destination, as well as the delays that occurred in processing operations where there were employee availability issues that impacted timely processing of incoming SPFCM at destination facilities. PFCM pieces that had the Root Cause of Transit Late Secondary Scan followed the same origin/destination flow as the SPFCM pieces with the Transit Late Destination Primary Scan Root Cause, with the only difference being that these pieces were designed to flow to a secondary processing operation rather than a primary, but would have flowed on the same transportation and experienced the same operational issues. PFCM Root Causes Transit Missing Outgoing Scan and Transit Missing Destination Primary Scans reflect the same transportation and operational issues as the other Root Causes, but are categorized differently due to expected processing event scans not occurring or not populating in piece level data. This may have been due to alternate processing flows in attempt to make service expectation on processing volumes.

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- b. As stated in the response to question 1, the COVID-19 pandemic reduced employee availability nationally. As shown in response to question 3, transportation impacts were numerous during this period.
- c. Yes. All areas were impacted.
 - i. There is no absolute way to distinguish impacts that might be related to COVID-19 and impacts not related. Employee availability was below the norm, and unavailable employees were replaced with workers with less training and experience. Other pandemic related issues, such as transportation, also contributed to poor service performance.
 - ii. N/A.

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8. The following questions concern the impact of the COVID-19 pandemic on the Internal Service Performance Measurement System, International Mail Measurement System, and Product Tracking and Reporting System for Market Dominant products in FY 2020.
- a. Please explain how the COVID-19 pandemic impacted the service performance measurement (*e.g.*, statistical validity, volumes measured, collection point sampling) for Market Dominant products in FY 2020.
 - b. Please quantify how much the COVID-19 pandemic impacted measurement in each mail processing phase (*e.g.*, First-Mile, processing, Last-Mile) for Market Dominant products in FY 2020.

RESPONSE:

- a. The COVID-19 pandemic did not negatively impact the Postal Service's service performance measurement systems. Throughout the pandemic, the service performance measurement systems performed as designed by providing accurate, reliable, and representative results for all service categories.

The Internal Service Performance Measurement (SPM) system is designed to be a statistically valid measurement of actual service performance.

Processing phase measurement employs a census methodology measuring all usable mail volumes. First Mile and Last Mile measurement employ a sampling methodology that is designed to sample enough mailpieces to achieve statistical validity and to meet the margin-of-error (MOE) target. The

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system is designed with a feedback capability that samples additional pieces if usable samples on a given day do not achieve established targets.

A third-party auditor reviews the Internal Service Performance Measurement system for accuracy, reliability, and representativeness every quarter. There are 29 audit measures that provide a comprehensive validation of each aspect of the measurement system.

The only audit measure that was impacted during the COVID-19 pandemic was Audit Measure 11 which measures the amount of “imputed volume” by district for each sampling group for Last Mile Measurement. Imputed volumes are utilized when sampling targets are not met for a given sampling group on a given day. Instead, statistically valid data from a similar sampling group or a larger geographic region are used to replace the data that are insufficient.

First Class flats was the only sampling group to not achieve the target for Audit Measure 11. The main factor driving this was the drastic reduction of First-Class flat volume during the COVID-19 pandemic. Less volume in the system means less flat volume to sample in the field. This resulted in fewer First-Class flats pieces sampled in the last mile.

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Robustness of the Internal SPM system enabled it to achieve a margin-of-error of less than 0.05 for the nation for each service standard (meeting the target) despite the impact to Audit Measure 11. See National MOEs by service standard for First Class flats in the table below from the FY20 Quarter 4 PRC Reports. This indicates a very accurate measurement system that is resilient to extreme and rapidly changing environments.

United States Postal Service®									
Quarterly Performance for First-Class™ Flats									
Mailpieces Delivered Between 07/01/2020 and 09/30/2020									
District	Origin / Destination								
	Overnight			Two-Day			Three-To-Five-Day		
	Percent On Time	Margin of Error (+/-)	95% Confidence Interval*	Percent On Time	Margin of Error (+/-)	95% Confidence Interval*	Percent On Time	Margin of Error (+/-)	95% Confidence Interval*
Nation	76.5	0.04	76.4 - 76.5	71.1	0.03	71.1 - 71.1	66.5	0.02	66.5 - 66.5

The International Mail Measurement System (IMMS) was designed and operated by an independent third-party vendor. The Postal Service is not aware of any impact of COVID-19 to the accuracy, reliability or representativeness of this measurement system.

The Product Tracking and Reporting System (PTR) is a census measurement system for market dominant products. There is no impact of COVID-19 to the accuracy, reliability or representativeness of this measurement system.

- b. As demonstrated above, the service measurement systems remained accurate, reliable and representative during the COVID-19 pandemic period.

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9. The Postal Service states that its FY 2020 reorganization of its operations into “separate functions for retail and delivery on the one hand and processing and logistics on the other, is designed to drive this process of continuous improvement by establishing clear lines of accountability to better enable service performance improvements, enhance communication and oversight, and ensure quicker implementation of strategies and initiatives.” FY 2020 ACR at 39.
- a. Please explain all bases justifying this determination (*e.g.*, did the legacy structure have limitations?).
 - b. Please provide quantitative support and identify the metric(s) used to make this determination. If quantitative support is unavailable, please so state, explain why it is unavailable, and provide qualitative analysis in support of this determination.

RESPONSE:

a.-b. The Postal Service made the decision to change the organizational structure to provide Headquarters with greater line of sight and reduce implementation nuance in the field. The new structure eliminates the different implementation strategies and efficacy from the area structure, and provides for direct-to-the-field efficacy and consistency of message and direction. In addition, the new structure restructures and expands the leadership team to allow leadership to have linear focus on a core function, to improve planning and execution.

The legacy structure had field support functions self-contained within operations. As a result, there was duplication around support functions, as well as a lack of focus and line of sight on core business functions. Planning and execution were decentralized in 7 areas and 67 districts. In addition, all aspects of operations (retail, delivery, and processing) were concentrated within the same organizational structure. The new

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structure allows each of the core business units to focus on excellence within their function, enhanced organizational line-of-sight, and separated planning and execution functions. This structure will lead to improved performance and results. While the elements of a streamlined structure can in some sense be expressed quantitatively, the above explanation relies fundamentally on management judgment and experience.

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10. The Postal Service states that its FY 2020 reorganization created a new operating unit of Logistics and Processing Operations, which consists of the Eastern and Western regions, with twelve divisions within each of these two regions. Library Reference USPS-FY20-29, December 29, 2020, PDF file "USPS-FY20-29.Preface.pdf" at 3 (Preface).
- a. Please explain how the geographic redivision from the legacy Areas to the new regions and divisions is expected to lead to improved Market Dominant service performance in FY 2021 (*e.g.*, did the legacy structure have limitations?).
 - b. Please explain how the "centralized support staff that will provide a unified approach for field operations while maintaining effective policy implementation and synchronizing all processing functions" will respond to issues that are unique to particular geographical locations. *Id.*
 - c. Please describe any nationwide initiatives developed, implemented, and/or supervised by this operating unit in FY 2020.
 - d. Please compare and contrast the former organization with the reorganization. In the response, please explain how this reorganization changes the existing reporting structure for district-level management.

RESPONSE:

- a. The legacy structure had planning and execution functions decentralized across 7 areas and 67 districts. Reorganizing into two regions and 12 divisions allowed for increased direct-to-the-plant-manager efficacy and consistency of message and direction. Having a structure for logistics and processing separate from retail and delivery allows leadership to focus on a single core function to improve strategic planning and execution, leading to improved service performance across all mail products, including Market Dominant.
- b. The centralized support staff work closely with the Division directors and plant managers to address issues that are unique to particular geographical locations

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and to provide flexibility within frameworks such that each facility can be successful.

- c. Because the reorganization was announced only in late FY 2020, no nationwide initiatives were developed, implemented, and/or supervised by this new operating unit in FY 2020.
- d. The reorganization separated the functions of retail and delivery from the functions of logistics and processing. For logistics and processing, the 7 areas and 67 districts were replaced with two regions (east and west) and 12 divisions. In the legacy structure, the District Manager oversaw the plants, retail and delivery units within their district, and reported to an Area Vice President. Under the new structure, each Division Director oversees 9-14 plants and reports to a Regional Vice President. The Regional Vice Presidents report to the Chief Logistics and Processing Officer.

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- 11.** The Postal Service states that its FY 2020 reorganization created a new dedicated Letter/Flat Mail group within the new operating unit of Logistics and Processing Operations. *Id.*
- a. Please describe the Postal Service's plans to improve service performance for letter- and flat-shaped Market Dominant products in FY 2021.
 - b. Please discuss the impact that any plans identified in response to part a of this question are expected to have on the FY 2021 on-time service performance results for Market Dominant products.
 - c. Please explain how the Postal Service plans to monitor the efficacy of its plans identified in response to part a of this question during FY 2021 and identify the metric(s) that will be used.

RESPONSE:

- a. To clarify, the Headquarters In-Plant Support Letter and Flat, Planning and Implementation group is within the oversight of the Vice President of Processing and Maintenance Operations. Also, although the vision of the letter and flat group was perceived during the reorganization that began in late FY 2020, the group was not configured, enabled, and fully operational until quarter two of FY 2021. Since then, this newly dedicated letter and flat planning and implementation group has been intently focused on strategically stabilizing all letter and flat shape-based products. The nucleus of these efforts has been centered on moving away from one unachievable, universal operating plan to creating site-by-site specific, achievable operating plans. This will allow each facility to inherently become precise, efficient, and predictable, thus better meeting the needs of both the network and delivery operations. As a result, this will

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unquestionably assist with the improvement of on-time service in all letter and flat shaped-based products. Additionally, once the unique letter and flat operating plans have been nationally vetted and deployed, reporting standards will be adjusted to identify the variance to the individually planned achieved efficiencies versus the previous method of tracking the variance to one single national operating plan.

- b. The Postal Service is committed to defining and implementing initiatives that are simple, achievable and that will drive down costs and improve service. As long as the pandemic continues, however, Postal Service will continue to experience service challenges.
- c. Members of the Letter and Flat, Planning and Implementation group will monitor and track performance using the tools within Informed Visibility (IV) application.

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- 12.** The Postal Service states that its FY 2020 reorganization created a new operating unit of Retail and Delivery Operations, which consists of the Atlantic, Central, Southern, and Western-Pacific Areas, with the goal of “accept[ing] and deliver[ing] mail and packages efficiently with a high level of customer satisfaction.” *Id.* at 2.
- a. Please explain how the geographic redivision from the legacy Areas to the new Areas is expected to lead to improved Market Dominant service performance in FY 2021 (*e.g.*, did the legacy structure have limitations?).
 - b. Please confirm that the Retail and Delivery Operations unit will oversee district-level performance during the First and/or Last Mile.
 - i. If confirmed, please compare and contrast the former organization with the reorganization. In the response, please explain how this reorganization changes the existing reporting structure for district-level management.
 - ii. If not confirmed, please explain.
 - c. Please describe any nationwide First and/or Last Mile initiatives developed, implemented, and/or supervised by this operating unit in FY 2020.
 - d. Please describe any nationwide First and/or Last Mile initiatives that are expected to be developed, implemented, and/or supervised by this operating unit in FY 2021.

RESPONSE:

- a. The benefits of the organizational restructure, and the limitations of the legacy structure, are discussed in the response to Question 9 of this Information Request. The new geographic division will allow our leadership to focus on Market Dominant service performance to strengthen our brand. This change streamlines our organizational goals and provides clarity and consistency in retail and delivery operations.
- b. Yes, the Postal Service will continue to oversee district level performance for First and Last Mile measurements throughout FY 2021.

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- i. The new structure will reduce the infrastructure in size, not in service. All 67 districts will now report to four areas, instead of the previous seven areas. At all levels of the organization, managers are now responsible for specific operational functions instead of geographic regions.
- ii. Not applicable.
- c. In FY 2020, the Postal Service provided Service Performance Measurement (SPM) training through Informed Visibility (IV). Standard Work Instructions (SWI) were posted and maintained in retail and delivery units. By monitoring and tracking SPM performance, opportunity districts were identified, and deficiencies were abated.
- d. In FY 2021, the Postal Service will continue to utilize Service Performance Measurement (SPM) tools and consider new initiatives under development. An *Accuracy in Reporting* memorandum was issued to all District Managers and Postmasters in FY 2021, to emphasize to postal employees the expectation that all data provided must be accurate.

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- 13.** The Postal Service states that it has not set on-time Market Dominant service performance percentage targets for FY 2021 yet because it is “reviewing its network capabilities to determine what service levels are achievable in the current environment.” FY 2020 ACR at 39.
- a. Please identify the criteria that the Postal Service expects to use to set on-time Market Dominant service performance percentage targets for FY 2021.
 - b. Please state when the Postal Service expects to set on-time Market Dominant service performance percentage targets for FY 2021.
 - c. Please state whether the Postal Service intends to survey mail users regarding potential on-time Market Dominant service performance percentage targets for FY 2021. If yes, please describe the Postal Service’s expected timeframe for that survey. If no, please explain why the Postal Service does not intend to survey users of the mail regarding potential on-time Market Dominant service performance percentage targets for FY 2021.

RESPONSE:

- a. The Postal Service’s setting of performance targets will seek to set achievable targets given the conditions under which the Postal Service is currently operating, particularly given the ongoing impacts of the COVID-19 pandemic. The Postal Service will therefore employ criteria that aid in this determination, which may include past service performance results under various operating conditions, as well as consideration of how long the current operating conditions resulting from the COVID-19 pandemic may last, though no final decisions have been made in this regard.

- b. The Postal Service anticipates setting the targets in the first few months of calendar year 2021.

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c. No, the Postal Service does not intend to survey mail users. The Postal Service's setting of service targets will be based on an assessment of operational capabilities, rather than customer views. In addition, the Postal Service has not surveyed customers when setting service performance targets in the past.

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- 14.** The Postal Service states that its Board of Governors is developing a new strategic business plan based on its examination of “its operations to identify strategies and opportunities to improve both the reliability and predictability of service performance, while also enhancing operational efficiency and effectiveness.” FY 2020 ACR at 39-40.
- a. Please identify the metrics that the Postal Service expects to use to monitor the Postal Service’s achievement of the strategies and opportunities identified in this plan.
 - b. Please state when the Postal Service expects to publish its new strategic business plan to the public.
 - c. Please state whether the Postal Service intends to survey mail users regarding potential strategies and opportunities. If yes, please describe the Postal Service’s expected timeframe for that survey. If no, please explain why the Postal Service does not intend to survey users of the mail regarding potential strategies and opportunities.

RESPONSE:

- a. The elements of the business plan and associated metrics are still being developed.
- b. The exact date as to when the Postal Service will publish the plan is still under deliberation.
- c. The Postal Service intends to engage all stakeholders regarding the business plan. The exact manner in which such outreach will occur is still under deliberation.

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- 15.** The Postal Service states that “Postal Service management will likewise continue to implement operational, technological, and employee training initiatives to enhance day-to-day efficiency and improve the quality of the mail delivery process” in FY 2021. *Id.* at 40.
- a. Please explain in detail how the Postal Service plans to enhance day-to-day efficiency and improve the quality of the mail delivery process for Market Dominant products in FY 2021.
 - b. Please discuss the impact that any plans identified in response to part a of this question are expected to have on the FY 2021 on-time service performance results for Market Dominant products.
 - c. Please explain how the Postal Service plans to monitor the efficacy of its plans identified in response to part a of this question during FY 2021 and identify the metric(s) that will be used.

RESPONSE:

a. The Postal Service has for years pursued operational tactics to continuously improve operational practices to improve service, increase efficiencies, and reduce costs; these basic and routine management efforts will continue in FY 2021. For instance, the improvement initiatives for on-time departures, which has been an organizational focus over the last two years, will continue into FY 2021 consistent with any court mandates. We will continue use of Network Operations Control Centers to perform real-time data analysis and communicate with plants on issues related to operations and transportation.

With respect to Headquarters Delivery Operations, their primary areas of focus will include the day to day management of service (First and Last Mile impact) and employee engagement. They will continue engaging our employees with enhanced knowledge through service talks and Standard Work Instructions. Continuous training

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and feedback are key components to the mail delivery process. Real time data visualization tools are available at all management levels through Informed Visibility dashboards.

b. The expectation of these efforts is an overall reduction in First and Last Mile failures to achieve the operating goal of less than 1 percent impact across all products.

c. The Postal Service will continue to monitor the overall trend of First Mile performance, Last Mile performance, and sampling compliance using Informed Visibility. This monitoring will take the form of regular service updates between headquarters and executive area management.

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- 16.** The Postal Service states that its management will focus on “improvement initiatives for on-time departures” in FY 2021. *Id.*
- a. Please explain in detail how the Postal Service plans to improve on-time departures for Market Dominant products in FY 2021.
 - b. Please discuss the impact that any plans identified in response to part a of this question are expected to have on the FY 2021 on-time service performance results for Market Dominant products.
 - c. Please explain how the Postal Service plans to monitor the efficacy of its plans identified in response to part a of this question during FY 2021 and identify the metric(s) that will be used.

RESPONSE:

- a. The Postal Service is determined to focus on the stabilization of mail processing operations, focusing on the creation of site-by-site specific, achievable operating plans. This will allow each facility to become precise, efficient, and predictable with their mail processing efforts. Thus, increasing the availability of processed mail being appropriately and timely dispatched to meet on-time departures.
- b. The Postal Service is committed to defining and implementing initiatives that are simple, achievable and that will drive down costs and improve service. As long as the pandemic continues, however, the Postal Service will continue to experience service challenges.
- c. Members of the Headquarters In-Plant Support group will monitor and track performance using the tools within Informed Visibility (IV) application.

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17. The following questions pertain to the initiative to eliminate unnecessary late and extra trips to transport mail outside of regularly scheduled transportation service starting on July 10, 2020.¹
- a. Please confirm that this initiative required mail to be transported on regular routes or held until the next regular route is available. If not confirmed, please explain.
 - b. Did the Postal Service complete a pilot, study, and/or analysis of the impact on Market Dominant service performance prior to implementation of this initiative? If yes, please provide the pilot test results, study, and/or analysis. If no, please explain why no pilot, study, and/or analysis was completed prior to implementation of this initiative.
 - c. During this initiative, did the Postal Service measure the impact on Market Dominant service performance? If yes, please identify the metric(s) used and provide the study or analysis. If no, please explain why no study or impact analysis was completed during this initiative.
 - d. Please explain how the Postal Service took into account the COVID-19 pandemic in its decision to begin this initiative on July 10, 2020.
 - e. Please explain how the Postal Service took into account the expected increase in political and election mail for FY 2020 and FY 2021 in its decision to begin this initiative on July 10, 2020.
 - f. Prior to implementation of this initiative, did the Postal Service study and/or analyze how much Market Dominant mail was expected to be ready for regular route transportation (and would not require use of late or extra trips)? If yes, please provide the study, and/or analysis. If no, please explain why no study and/or analysis was completed prior to implementation of this initiative.
 - g. Please explain the Postal Service's expectation of how operations would adapt without using late or extra trips and thereby deliver Market Dominant mailpieces that were not ready for regular route transportation within the applicable service standard.
 - h. Please confirm that this initiative was suspended nationwide effective August 18, 2020. If not confirmed, please identify the effective date of the nationwide suspension.

¹ United States Postal Service, Office of the Inspector General, Report No. 20-292-R21, Deployment of Operational Changes, November 6, 2020, at 5, available at: <https://www.uspsoig.gov/sites/default/files/document-library-files/2020/21-014-R21.pdf> (OIG Report No. 20-292-R21).

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RESPONSE:

- a. On July 10, 2020, Postal Service management began a renewed focus on adhering to long-standing schedules for its surface transportation network and mitigating unnecessary late and extra trips, which were the subject of a preexisting initiative. The Postal Service's operating plans rely on adherence to transportation, processing, and delivery schedules that work together to provide timely mail service. The purpose of the renewed focus was to improve service and to reduce unnecessary costs.

This "initiative" did not require that mail be transported on regular routes or be held until the next route is available. Instead, management was expected to use best efforts to have all mail loaded on trucks in time for the trucks to depart at scheduled times so that trucks would timely arrive at the next destinations. The Postal Service did not preclude the use of extra trips where feasible and necessary for timely delivery of mail and did not require that mail be held at a facility. Nor did it approve any practice of leaving mail at a facility unless delaying a trip to transport a small volume of mail would risk delay in the delivery of a greater volume of mail to its intended destination. For example, if a tractor-trailer that was mostly, but not completely, loaded had to depart from a processing plant at a particular time in order to arrive at an airport and be loaded onto the flight prior to its scheduled departure, delaying the truck's departure from the facility would not be advisable. Though a small volume of mail would be

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left behind at the processing facility if the truck departs when necessary to connect on time, a far larger volume of mail would be delayed if the truck is held.

- b. The Postal Service did not complete a pilot or a formal study of the impact on Market Dominant service performance prior to implementation of this initiative. However, for approximately two years before July 2020, postal managers met to consider the deleterious impact of late trips on service performance and inefficient management of extra trips and discussed solutions for improving adherence to transportation schedules. The schedules have long been built around the Postal Service's operating plan, to ensure that mail is timely transported throughout the surface transportation network (e.g., from a processing plant to an airport, to a Surface Transportation Center, or to delivery units) in order to enhance service.
- c. The Postal Service analyzes its Market Dominant service performance in accordance with the metrics approved by the Commission. During the first weeks following July 10, 2020, ongoing analytics reports revealed a decline in service scores, and the Postal Service, during the course of its day-to-day monitoring of transportation schedules, concluded the decline was due in part to the failure of facility processing schedules to align with transportation schedules, as well as the spike in COVID-19 in July 2020. The Postal Service made adjustments to processing schedules to better

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align with the transportation schedules, which resulted in improved service performance in August 2020.

- d. The Postal Service's efforts to adhere to transportation schedules, as discussed on July 10, 2020, represented a renewed focus on an existing initiative that began approximately two years previously and was consistent with the Postal Service's longstanding operating plan. The Postal Service did not anticipate that continuing these efforts would have a negative effect on service, irrespective of the ongoing COVID-19 pandemic, and did not conduct a formal analysis.
- e. The "initiative" began in July, a period when mail volume is relatively low. The anticipated increase in political and election mail for FY 2020 and FY 2021 was only a small part of overall volume and was not a significant factor in the Postal Service's decision to renew its focus on adherence to transportation schedules. The Postal Service deemed improved management of trips would operate to improve timely delivery of mail throughout the nation, while at the same time reducing unnecessary costs. Moreover, the Postal Service was always committed to providing additional resources as needed, including transportation, for the timely delivery of election mail.
- f. Please see the above answer to subpart b of this question. The transportation network connects the movement of mail among all delivery

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units, processing and distribution centers, airports, and surface transportation centers. Transportation schedules must align with facilities' schedules in order to consistently meet service standards. As a general matter, when the nationwide operations network is functioning as planned, late trips compromise service performance. In renewing the focus on trucks leaving on time, management was able to identify incidents where processing schedules did not align with transportation schedules as intended. Those processing schedules were adjusted. In addition, transportation managers better monitored the utilization of trips to ensure that trucks were loaded to capacity, thus minimizing the number of extra trips necessary to transport mail. Day-to-day oversight of transportation and processing operations and communications among Headquarters and field managers began to result in improved service performance and a reduction in costs.

- g. The Postal Service did not expect that it would operate without any late or extra trips or that its renewed focus on adhering to transportation schedules would result in any long-term nationwide decline in service performance for Market Dominant mailpieces or any other mail. Within the Postal Service's complex nationwide transportation, processing, and delivery network, it is inevitable that some trips will be late and that some extra trips will be needed to ensure timely and efficient mail delivery each day. The Postal Service did not prohibit late and extra trips. Instead, it

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made clear that late and extra trips could be used when reasonably necessary to facilitate prompt delivery and ensure service, and it expected operations managers to utilize best practices in making decisions regarding trips on a day-to-day basis to minimize costs and to improve service performance.

- h. The Postal Service's efforts to adhere to transportation schedules were not among the ongoing initiatives that the Postmaster General suspended on August 18, 2020. The Postal Service, consistent with its previous practice, continued to permit late and extra trips in July 2020 and thereafter. In addition, in August 2020, the Postal Service committed to the use of available resources, including transportation, to ensure the timely delivery of election mail, and throughout the November 2020 election season, the Postal Service ensured that managers were aware that extra and late trips should be used when necessary to ensure timely delivery of election mail. At the same time, the Postal Service complied with all legal obligations imposed by various preliminary injunctions relating to the Postal Service's use of late and extra trips issued by several U.S. District Courts.

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- 18.** The following questions pertain to the initiatives to reduce overtime starting in July and August 2020. See OIG Report No. 20-292-R21 at 7, Appendix B at 20-22.
- a. Did the Postal Service complete a pilot, study, and/or analysis of the impact on Market Dominant service performance prior to implementation of these initiatives? If yes, please provide the pilot test results, study, and/or analysis. If no, please explain why no pilot, study, and/or analysis was completed prior to implementation of these initiatives.
 - b. During these initiatives, did the Postal Service measure the impact on Market Dominant service performance? If yes, please identify the metric(s) used and provide the study or analysis. If no, please explain why no study or impact analysis was completed during these initiatives.
 - c. Please explain how the Postal Service took into account the COVID-19 pandemic into its decision to begin these initiatives in July and August 2020.
 - d. Please explain how the Postal Service took into account the expected increase in political and election mail for FY 2020 and FY 2021 into its decision to begin these initiatives in July and August 2020.
 - e. Prior to implementation of these initiatives, did the Postal Service study and/or analyze how much Market Dominant mail was expected to be ready for delivery within normal work hours (and would not require use of overtime)? If yes, please provide the study and/or analysis. If no, please explain why no study and/or analysis was completed prior to implementation of these initiatives.
 - f. Please explain the Postal Service's expectation of how operations would adapt to reduced overtime and thereby deliver Market Dominant volumes within the applicable service standard.
 - g. Please confirm that these initiatives remain ongoing. If not confirmed, please identify the effective date(s) of the nationwide suspension(s).

RESPONSE:

- a. To be clear, there have been no changes to our overtime policy. The Postal Service's consistent practice in the past is to use justified and approved overtime hours where needed to deliver the mail on time, and that practice has continued. Management therefore seeks to ensure that the overtime policy is

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being followed in the normal course of business, such as the effort discussed by the OIG concerning pre-tour overtime.

The Postal Service did conduct a pilot study at a limited number of offices to determine whether carrier operations could be changed in a manner that might reduce unearned overtime, known as the Expedited to the Street Afternoon Sortation (ESAS) Initiative. One purpose of this pilot was to assess the impact of such changes on service performance in order to determine whether the initiative should be pursued on a permanent basis.

b. The Postal Service did measure the impact on Market Dominant service performance of the ESAS pilot through baselining Last Mile Impact and delayed volume prior to and during the initiative. The data collected are detailed below.

WEEK	Last Mile	Delayed
43 (Baseline)	-2.30%	997,212
44	-3.40%	3,740,153
45	-3.80%	3,554,224
46	-4.05%	4,015,328
AVG (44-46)	-3.75%	3,769,902

c. The overtime policy considers whether overtime is needed to deliver the mail on time, including during the COVID-19 pandemic. Regarding the ESAS pilot, the COVID-19 pandemic was not a factor in the decision to conduct the

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initiative in July and August 2020.

d. The overtime policy considers whether overtime is needed to deliver the mail on time, including political and election mail. Moreover, the Postal Service's consistent approach throughout the year was to use the resources necessary to ensure the timely delivery of Election Mail.

ESAS sites were not selected based on any type of political/election mail analysis. The ESAS sites were selected based on historical averages of cased volume when the Postal Service was experiencing unprecedented drops in volume.

e. The overtime policy considers whether overtime is needed to deliver the mail on time. The ESAS initiative was a pilot program designed to measure a variety of metrics including service performance.

f. The overtime policy has not changed. Regarding ESAS, the purpose of the pilot was to assess whether volumes could continue to be delivered within the applicable service standards when carriers delivered mail earlier in the day and unproductive office hours were reduced. This would be achieved by accountability and properly managing workhours to workload.

g. The overtime policy has not changed, and remains in effect. The ESAS pilot was suspended effective August 18, 2020.

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- 19.** The Postal Service states that it modified the National Trips On-Time report for FY 2020 to include all trips, 24 hours per day, except for Mail Transport Equipment (MTE) trips. Preface at 4.
- a. Please confirm that the results provided in Library Reference USPS-FY20-29, December 29, 2020, Excel file “FY20 FCM Q4 EOY - 24 hr clock.xlsx,” columns AZ:BF are comparable to the FY 2019 results provided in Library Reference USPS-FY19-29, December 27, 2019, Excel file “FY19 ACR FCM Q1-2-4-5 EOY.xlsx,” tab “Q5,” columns AZ:BF. If not confirmed, provide results for FY 2020 that are comparable to the FY 2019 results. If comparable results are unavailable, please explain why the Postal Service cannot isolate the subset of trips measured in FY 2019 (*e.g.*, outbound trips from 00:00 – 07:00 hours) from the FY 2020 results.
 - b. Does the Postal Service plan to modify the National Trips On-Time report for FY 2021? If yes, what modifications are expected to occur and when?
 - c. Please quantify the nationwide volume of:
 - i. political mail that the Postal Service delivered in FY 2020;
 - ii. political mail that the Postal Service delivered in FY 2016;
 - iii. election mail that the Postal Service delivered in FY 2020; and
 - iv. election mail that the Postal Service delivered in FY 2016.

RESPONSE:

a. As discussed in the “Section e.8 and e.10 Narratives” pdf file in the pinch point materials submitted in USPS-FY20-45, methodology changes in the 24-Hour Clock Trips-On-Time reporting between FY 2019 and FY 2020 impede direct comparison of results from those two years. That discussion applies equally to the same data provided for those two years in folder 29 (*i.e.*, the portions of the Excel files cited in this question). To facilitate such a comparison, the “Section e.8 and e.10 Narratives” presented the results of “a recast exercise ... in which national scores for FY 2019 have been recalculated applying the same rules as applied in FY 2020.” In response to the

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instant question, that recast exercise has been expanded to generate the quarterly, mid-year, second-half, and annual data at the national, Area, and District levels, commensurate with the rows and columns specified in the question. The attached Excel file associated with this response presents a side-by-side display of the FY 2020 results as presented in USPS-FY20-29, and (in lieu of the FY 2019 results originally presented in USPS-FY19-29) the FY 2019 results recast using the FY 2020 rules. It thus provides a set of FY 2019 and FY 2020 results that are comparable.

b. No, the Postal Service has no plans to modify the National Trips On-Time report for FY 2021.

c. The requested nationwide volumes are:

Election:

- FY 2020: 417 Million Election mail pieces
- FY 2016: 192 Million Election mail pieces

Political:

- FY 2020: 1.93 Billion Political Mail pieces
- FY 2016: 1.08 Billion Political Mail pieces

Please note that these volumes relate exclusively to the fiscal years specified in the question, as opposed to election *cycle* volumes that span multiple fiscal years.

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- 20.** In discussing decreases experienced in FY 2020 compared to FY 2019 on-time service performance for First-Class Mail in the Northeast Area, the Postal Service states that the decreases are partially attributable to “the volume of political and election mail [that] increased exponentially this year, as well as increased volume related to the Decennial Census.” Library Reference USPS-FY20-29, December 29, 2020, folder “Area Reports,” PDF file “Northeast PRC FY 20 Svc Perf Report.pdf” at 1.
- a. Please explain in detail how the increased volume related to political, election, and Decennial Census mail impacted on-time service performance results in the Northeast Area for Market Dominant products during FY 2020.
 - b. For each impact identified in response to part a of this question, please provide quantitative support and identify the metric(s) used. If quantitative support is unavailable for an identified impact, please so state, explain why it is unavailable, and provide qualitative analysis in support of the identified impact.
 - c. Does each impact identified in response to part a of this question apply to locations other than the Northeast Area?
 - i. If yes, please provide quantitative support for this statement. If quantitative support is unavailable, please so state, explain why it is unavailable, and provide qualitative analysis in support of the statement.
 - ii. If not, please explain why the impact was limited to the Northeast Area.

RESPONSE:

- a. The Northeast Area report was essentially discussing the unprecedented events that occurred this year and why these factors likely impacted service performance this year. It was deemed relevant that the Northeast Area was processing and delivering the Decennial Census mail to homes across the area when the pandemic hit and impacted employee availability. Immediately after that, there was a surge of political and election mail and an increase in package volume. Collectively, these increases in volumes, coupled with

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decreased employee availability, led to competing goals of finalizing mail on time and getting it on a limited transportation network.

- b. As stated in the response to question 1, the COVID-19 pandemic reduced employee availability nationally. As shown in response to question 3, transportation impacts were numerous during this period.
- c. Yes. All areas were impacted.
 - i. There is no absolute way to distinguish impacts that might be related to COVID-19 and impacts not related. Employee availability was below the norm, and unavailable employees were replaced with workers with less training and experience. Other pandemic related issues, such as transportation, also contributed to poor service performance.
 - ii. N/A.

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- 21.** The following questions pertain to delays in unloading Market Dominant volumes at Postal Service facilities in FY 2020.
- a. Please confirm that the Postal Service has a metric(s) (such as a root cause failure indicator) to monitor such delays.
 - i. If confirmed, please identify the metric(s) used and quantify the delays in unloading Market Dominant volumes at Postal Service facilities at the national level in FY 2020 and in FY 2019.
 - ii. If not confirmed, please explain why such a metric has not been developed and status of the Postal Service's efforts to develop such a metric.
 - b. Please describe the steps that the Postal Service has taken to reduce the delays or develop workarounds in FY 2020.
 - c. Please describe the steps that the Postal Service has taken to inform customers about delays, both generally and at specific facilities used by specific customers in FY 2020.

RESPONSE:

- a. The Postal Service does not have a metric to quantify delays in unloading Market Dominant products.
 - i. Not confirmed.
 - ii. Development of this technology would require the Postal Service to partner with the mailers and shipping industry to understand the arrival and associated volume to the drop shipment schedules. Management would be able to leverage the intelligence provided in mailer and shipper data to understand the arrival and volume associated with the shipment to appropriately staff and assign the workload to the facility. Post-COVID,

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management would be able to use that intelligence to better plan and predict arrival of product.

- b. The Postal Service will monitor and track performance by conducting continuous yard checks to ensure mail is being unloaded timely.
- c. The Postal Service uses Industry Alerts to identify facilities that are unable to accept drop shipments and provide updates on facility status when natural disasters force a closure of our facilities.