

verifies the effluent release program performance? (B.3.1)

Should a policy statement be developed based upon NRC's existing regulations and guidance to address: (1) Protection of the environment within NRC's regulatory framework, (2) NRC's expectations of licensees, (3) the relationship to other regulatory schemes, and (4) NRC's desire to work cooperatively with other Federal agencies and States in protecting the environment?

Should NRC's regulatory framework be informed by experience or guidance developed or applied by the International Atomic Energy Agency, the international community or by other U.S. agencies, *e.g.*, Department of Energy directives (DOE STD 1153) and activities?

Theme 2: Maintain Barriers as Designed To Confine Licensed Material

Should NRC's programs be modified to ensure that systems and components better contain radioactive liquids and gases?

- Are additional requirements appropriate for the design, operation and maintenance of systems and components that contain radioactive liquids and gases? (C.3.1)
- Should a more quantitative definition of the "As Low As Is Reasonably Achievable" (ALARA) concept be adopted with respect to leakage of radioactive liquids and gases?
 - Is it feasible to apply the ALARA concept in 10 CFR 50.36a to "unmonitored releases" and to restricted areas as well as unrestricted areas?
 - How could the principles in 10 CFR 20.1406 be applied to operating reactors?
 - Do the existing General Design Criteria (GDC) (*e.g.*, GDC 60 and 64) in 10 CFR part 50, appendix A, provide a basis to require new licensee programs with respect to leakage of radioactive liquids and gases?

Theme 3: Create More Reliable NRC Response

Should NRC's programs be modified to ensure greater consistency when addressing low risk, high public interest/confidence issues?

- Should NRC's oversight programs be modified to include more specific guidance on responding to reported incidents where risk is low but there is high stakeholder interest? Should this guidance address the follow up and disposition of a licensee's immediate actions, extent of condition, root cause, corrective action, and communication with the stakeholders? (A.3.1, A.3.2, B.3.3)

How can the NRC improve communications and support to other regulatory agencies, such as the U.S. Environmental Protection Agency and the States, in understanding and exercising respective roles and responsibilities related to groundwater protection? (D.3.3)

Theme 4: Strengthen Trust

How can the NRC increase confidence in its actions and communications related to groundwater protection?

What role could third party verification or assessment play in responding to groundwater protection? (D.3.3)

What would be the benefit of using the International Nuclear Event Scale for communicating the safety significance of events at Levels 0 or 1 that attract high domestic or international public interest? Would this approach lead to confusion on the significance of the issue?

How can greater clarity be given to the interplay between NRC regulations and existing State and other Federal regulations with respect to the objectives and level of protection provided by adherence to the regulations?

D. Conduct of the Meeting.

This is a Category 3 Meeting. The public is invited to participate in this meeting by providing comments and asking questions throughout the meeting. The NRC's Policy Statement, "Enhancing Public Participation on NRC Meetings," (May 28, 2002; 67 FR 36920), applies to this meeting. The policy contains information regarding visitors and security. The NRC provides reasonable accommodation to individuals with disabilities where appropriate. If a member of the public needs a reasonable accommodation to participate in the meeting, or needs the meeting notice or the transcript or other information from the meeting in another format (*e.g.*, Braille, large print), please notify the NRC's meeting contacts. Determinations on requests for reasonable accommodations will be made on a case-by-case basis.

Dated at Rockville, Maryland, this 16th day of September 2010.

For the Nuclear Regulatory Commission.

Michael R. Johnson,

Deputy Executive Director for Reactor and Preparedness Programs, Acting Office of the Executive Director for Operations.

[FR Doc. 2010-23877 Filed 9-22-10; 8:45 am]

BILLING CODE 7590-01-P

POSTAL REGULATORY COMMISSION

[Docket No. RM2010-11; Order No. 531]

Exceptions from Periodic Reporting Rules

AGENCY: Postal Regulatory Commission.
ACTION: Notice.

SUMMARY: The Postal Service has requested semi-permanent exceptions to certain recently-adopted service performance measurement reporting requirements. This order grants most of the requested exceptions. The Commission asks the Postal Service to explore other measurement options or use of proxies for reporting purposes for the exceptions not granted. This order also addresses the question of the need to request an exception or waiver prior to the use of a proxy as a substitute for a direct measurement.

DATES: Request for waivers from the Postal Service: October 1, 2010.

FOR FURTHER INFORMATION CONTACT: Stephen L. Sharfman, General Counsel, *stephen.sharfman@prc.gov* or 202-789-6820.

SUPPLEMENTARY INFORMATION: *Regulatory History, 75 FR 38757 (JULY 6, 2010).*

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I. Introduction

The Commission issued an Order Establishing Final Rules Concerning Periodic Reporting of Service Performance Measurements and Customer Satisfaction (Order No. 465) on May 25, 2010, bringing Docket No. RM2009-11 to a conclusion. Within this order, the Commission established a two-step process to achieve full compliance with all reporting requirements by the filing date of the FY 2011 Annual Compliance Report (ACR). See Order No. 465 at 18-24.

The first step in the process, and the subject matter of the instant order, consists of the Postal Service petitioning the Commission for semi-permanent exceptions from reporting pursuant to rule 3055.3. *Id.* at 21-22. The second step, and the subject matter of a future proceeding, consists of the Postal Service petitioning the Commission for temporary waivers of reporting until such time that reporting can be provided. The Commission further indicated that the Postal Service may seek a temporary waiver of reporting for

any product, or component of a product, that is denied a semi-permanent exception from reporting in the first step of the process. *Id.* at 22–24.

On June 25, 2010, the Postal Service filed a request for semi-permanent exceptions from periodic reporting of service performance measurement for various market dominant postal services, or components of postal services, pursuant to Commission Order No. 465 and 39 CFR 3055.3.¹ It seeks semi-permanent exceptions for Standard Mail High Density, Saturation, and Carrier Route parcels, Inbound International Surface Parcel Post (at UPU Rates), hard-copy Address Correction Service, various Special Services, Within County Periodicals, and various negotiated service agreements. *Id.* at 1. The Postal Service supplemented its initial comments on July 9, 2010 with material on Within County Periodicals reporting.² The Postal Service also filed comments in reply to the Public Representative's comments.³

On June 29, 2010, the Commission issued Order No. 481, which established Docket No. RM2010–11 for consideration of matters related to the proposed semi-permanent exceptions identified in the Postal Service's Request. It also appointed Emmett Rand Costich to serve as Public Representative, and reiterated the July 16, 2010 filing deadline, as previously established in Order No. 465, for interested persons to comment on the Postal Service's Request.

Comments were received from the Public Representative on July 16, 2010.⁴ The comments identify products, or components of products, where semi-permanent exceptions might be warranted. The comments also identify products, or components of products, where the Public Representative believes that the Postal Service fails to justify semi-permanent exceptions. The Public Representative appropriately indicates that “[i]n some instances, direct measurement of the service performance of a product is possible

and should be undertaken, while in others a proxy can be identified to satisfy service performance measurement.” *Id.* at 3.

The Commission grants 27 of the 31 semi-permanent exceptions requested by the Postal Service. The granted semi-permanent exceptions are listed in the Appendix following the signature page of this order. The Commission denies the following requests for semi-permanent exceptions: High Density and Saturation Flats/Parcels (parcels only), Carrier Route (parcels only), Within County Periodicals, and Inbound Surface Parcel Post (at UPU Rates). For these services, the Commission requests that the Postal Service explore other measurement options, or the use of appropriate proxies for reporting service performance.

The Commission previously established a September 10, 2010 deadline for the Postal Service to file a request for waivers where it is unable to comply with specific reporting requirements. Order No. 465 at 22–23. This deadline will be extended until October 1, 2010 to provide the Postal Service time to incorporate the findings of this order. A new date for comments will be established once the Postal Service files its request for waivers.

This order also separately addresses an issue identified by the Postal Service concerning the need to request an exception or waiver prior to the use of a proxy as a substitute for direct measurement and reporting of that measurement. *See* section III.

II. Statutory Provisions

Section 3652(a)(2) of title 39 requires the Postal Service to include in an annual report to the Commission an analysis of the quality of service “for each market-dominant product provided in such year” by providing, in part, “(B) measures of the quality of service afforded by the Postal Service in connection with such product, including—(i) the level of service (described in terms of speed of delivery and reliability) provided....”

The Commission's Rules of Practice and Procedure, which implement this requirement, acknowledge that certain products, or components of products, should be excluded from measurement because requiring such measurements would be unnecessary, impractical, or would not further the goals and objectives of the Postal Accountability and Enhancement Act (PAEA). Rule 3055.3 provides the Postal Service the opportunity to request that a product, or component of a product, be excluded from service performance measurement reporting upon demonstration that:

(1) The cost of implementing a measurement system would be prohibitive in relation to the revenue generated by the product, or component of a product;

(2) The product, or component of a product, defies meaningful measurement; or

(3) The product, or component of a product, is in the form of a negotiated service agreement with substantially all components of the agreement included in the measurement of other products.

No product that does not satisfy one of these conditions will be granted an exception from reporting. However, a product, or component of a product, falling into one or more of these conditions does not guarantee that an exception will be granted. There may be instances of where reporting of service performance furthers the goals and objectives of the PAEA, or adds necessary transparency to a particular product, where reporting may be required notwithstanding cost, inconvenience, or redundancy.

Once granted, exceptions are semi-permanent in nature. The Postal Service is not required to reapply for exceptions on a regular basis, barring changed circumstances. However, the Postal Service is required to periodically identify the products, or components of a product, granted exceptions and certify that the rationale for originally granting the exception remains valid.

The Postal Service shall identify each product or component of a product granted an exception in each report required under subparts A or B of this part, and certify that the rationale for originally granting the exception remains valid.

Rule 3055.3(b).

III. Use of Proxies

In discussing its request that Inbound International Surface Parcel Post (at UPU Rates) be granted a semi-permanent exception, the Postal Service notes what it labels a semantic difference between its request and the Public Representative's comments which oppose the request and suggest the use of a proxy. The Postal Service interprets Order No. 465 such that the use of proxies requires an exception or a waiver from the requirement of direct measurement and reporting. Postal Service Reply Comments at 3.

The rules promulgated in Order No. 465 indicate that proxies may be used if justified. As part of each annual report the Postal Service is to provide:

(e) A description of the measurement system for each product, including: ... (5) [w]here proxies are used, a description of and justification for the use of each proxy.

Rule 3055.2(e)(5).

In Order No. 465, the Commission authorized a two-step process for the

¹ United States Postal Service Response to Order No. 465 and Request for Semi-Permanent Exceptions from Periodic Reporting of Service Performance Measurement, June 25, 2010 (Request).

² United States Postal Service Notice of Filing Supplemental Information, July 9, 2010 (Supplemental Information).

³ United States Postal Service Response to Comments of the Public Representative, August 12, 2010 (Postal Service Reply Comments). A Motion for Leave to File Response to Comments of the Public Representative, August 12, 2010, accompanied the Postal Service Reply Comments. This motion is granted.

⁴ Public Representative's Comments in Response to Order No. 481, July 16, 2010 (Public Representative Comments).

Postal Service to achieve full compliance with all service performance measurement reporting requirements by the filing date of the FY 2011 ACR. The first step requires the Postal Service to request semi-permanent exceptions from reporting as allowed by rule 3055.3. The exceptions provision of rule 3055.3 does not apply to the use of proxies. If a semi-permanent exception is granted pursuant to rule 3055.3, no service performance measurement reporting is required. Thus, the use of a proxy becomes irrelevant. However, if a suitable proxy exists, it should be used and a semi-permanent exception is not appropriate.

The second step requires the Postal Service to seek a temporary waiver where it cannot immediately comply with specific reporting requirements. The Commission indicated that a request for waiver must be for a specified period of time, and must include an implementation plan for achieving compliance with the specific reporting requirement. Generally, the Postal Service has indicated it cannot comply with reporting requirements where direct measurement systems currently are not available. The Commission notes that there are instances where the use of a proxy may provide some indication of service performance pending development of more direct measurement systems. Therefore, wherever the Postal Service believes that the use of a proxy is appropriate and its use can be justified, the Postal Service should request a waiver for the use of the proxy until the direct measurement system becomes operational.

IV. Disposition of Individual Requests for Exceptions

A. Standard Mail

The Postal Service seeks semi-permanent exceptions from service performance reporting for the following components of products within the Standard Mail class: High Density and Saturation Flats/Parcels (parcels only) and Carrier Route (parcels only). The Postal Service argues that the data systems do not distinguish parcel items from other Standard Mail measurement categories, nor is there a reliable start-the-clock method for parcels. Furthermore, the volume for the parcel components is very small (about 0.1 percent of the volume of regular and nonprofit Parcels/Non-Flat Machinables). Based on the above, the Postal Service contends it would be cost prohibitive to develop a reporting system for these parcels. Request at 4–6.

The Public Representative asks that a waiver not be granted for the parcels components of the High Density and Saturation Flats/Parcels and Carrier Route products. The Public Representative notes that the Postal Service has not explained why data for parcels with Delivery Confirmation cannot be used, or why a proxy cannot be used, to measure the service performance of Standard Mail parcels.⁵ The Public Representative also notes that the Postal Service believes that the parcels customer base is expected to adopt the Intelligent Mail barcode in the near future. This may provide an Intelligent Mail barcode solution to the measurement problem. Public Representative Comments at 4–5.

The Commission finds that providing an exception from reporting for High Density and Saturation Flats/Parcels (parcels only) and Carrier Route (parcels only) has not been justified. The Postal Service has not explained why the originally proposed Delivery Confirmation-based system is no longer feasible, nor has it explained why it would be inappropriate to use another parcels item as a suitable proxy to measure the service performance of these Standard Mail parcels. The request for a semi-permanent exception for the specified Standard Mail parcels is denied.

B. Periodicals

The Commission's rules require separate service performance reporting for the Within County Periodicals product and the Outside County Periodicals product. The Postal Service informs the Commission of its intent to seek a temporary waiver from reporting the two products separately, as well as for Outside County Periodicals individually. It notes that upon expiration of the temporary waiver, it still does not expect to be able to report data for Within County Periodicals. Therefore, it is seeking a semi-permanent exception from reporting performance of Within County Periodicals at this time. Request at 7–10.

The Postal Service cites two problems with being able to report service performance for Within County Periodicals. First, some forms of electronic mail documentation do not require the mailer to identify whether an individual mailpiece is a Within County Periodicals mailpiece or an Outside County Periodicals mailpiece. Thus, the mailpiece cannot be

distinguished for individual reporting purposes. Second, there might not be sufficient data (volume) for reporting Within County Periodicals and Outside County Periodicals individually.⁶

The Postal Service filed supplemental information regarding the difficulties in establishing a service performance measurement for Within County Periodicals. See Supplemental Information. The Postal Service explains that it contracted a special study to develop a baseline service performance estimate for community newspaper performance (a significant segment of Within County Periodicals).

Among other things, the study reports that:

- The Community Newspapers national result of 72.48 percent was comparable to the Periodicals result of 75.44 percent for the same period.
- It is not practical to conduct ongoing measurement.
- It would be difficult for the newspaper mailers to participate based on our experience with the baseline study; and
- Ongoing costs for subscriptions and conducting the study may outweigh value.
- Results are similar enough that Periodicals could be considered as a proxy for Community Newspapers Mail.
- Consider conducting another study in a few years to verify that results are still similar.

Supplemental Information, Attachment, slide 24. From the undertaking of the study, the Postal Service concludes that it is not feasible to establish a measurement system for Within County Periodicals and implementing a measurement system cannot be accomplished without undue burden imposed on relevant mailers.

Therefore, the Postal Service contends that Within County Periodicals is a product that “defies meaningful measurement” within the intent of the 39 CFR 3055.3(a)(2), or that “cost of implementing a measurement system would be prohibitive in relation to the revenue generated by the product...” 39 CFR 3055.3(a)(1). The Postal Service concludes by suggesting that Periodicals’ performance as a class may be considered an appropriate proxy for Within County Periodicals. Request at 10.

The Commission finds that Within County Periodicals does not fall within the exception for a product that defies meaningful measurement. 39 CFR 3055.3(a)(2). Mailpiece seeding or other

⁵ A Delivery Confirmation-based system originally was proposed by the Postal Service. See Service Performance Measurement, November 2007, at 39; see also United States Postal Service Comments in Response to Order No. 292, November 2, 2009, at 32–33.

⁶ As an added complication, the Postal Service notes that most Within County Periodicals receive manual processing. *Id.* at 9.

methodologies could be developed and successfully implemented to measure service performance. The costs and practicality of alternative approaches still may remain an issue.

A semi-permanent exception based on the prohibitive costs of implementing a measurement system, 39 CFR 3055.3(a)(1), might have been appropriate if no measurement and reporting options were available. However, the Postal Service has presented sufficient information for the Commission to conclude that solutions may exist for Within County Periodicals. The Commission suggests that the Postal Service look into the feasibility of using all Periodicals as a proxy for reporting Within County Periodicals (as indicated by the Postal Service), along with a special study every 5 years (such as presented in Supplemental Information) to examine the veracity of the proxy. In the future, as the Intelligent Mail barcode develops and is put to new uses, the Postal Service may wish to examine the potential of developing a more appropriate direct measurement system. The request for a semi-permanent exception for Within County Periodicals is denied.

C. Parcel Post

The Postal Service explains that no measurement system exists for Inbound International Surface Parcel Post (at UPU Rates). It estimates the cost for developing a measurement system to be approximately \$3 million for a product with gross revenues of \$12.88 million in FY 2009. The Postal Service instead suggests using domestic Parcel Post as a proxy for Inbound International Surface Parcel Post (at UPU Rates). *Id.* at 6–7.

The Public Representative supports the use of domestic Parcel Post as a proxy for Inbound International Surface Parcel Post (at UPU Rates), and asks that the request for semi-permanent exception be denied. The Public Representative further argues that use of the proxy should be supplemented with information from the UNEX system (an RFID-based system). The supplemental data could be used to analyze time in customs. Public Representative Comments at 5–7.

The Postal Service does not believe it would be appropriate to use UNEX data to supplement the use of the proxy. First, it argues that UNEX measures performance of letters and flats, not Parcel Post items. Second, time in customs is not relevant to Postal Service performance because the Postal Service does not have control over this time. Third, UNEX does not include time in customs in its calculations of Postal

Service performance. Postal Service Reply Comments at 2–4.

Because of the availability of what appears to be a reasonable proxy, one that presumably the Postal Service can more fully explain and justify, the Commission denies the request for semi-permanent exception. The use of domestic Parcel Post as a proxy will significantly reduce the costs associated with directly measuring and reporting the service performance of Surface Parcel Post (at UPU Rates). The Postal Service is further encouraged to use supplemental data to explore the veracity of any and all proxies it uses, and periodically report this information to the Commission. This could include, in this instance, an independent mail seeding study, or use of applicable data from the UNEX system, or other independent analysis that the Postal Service may deem appropriate.

D. Special Services

1. Address Correction Service (Hard-Copy)

The Postal Service explains that Address Correction Service (ACS) involves the transmission of corrected address information to a sender that subscribes to the service, when the recipient has provided a forwarding address to the Postal Service. The Postal Service requests an exception from reporting only for the hard-copy version of this service. The Postal Service states that forwarding information is accumulated into batches, data transmission times vary, and specific arrangements are made with individual subscribers. Furthermore, it contends that implementation of a measurement system would be unwarranted for a product that only produced approximately \$22 million in revenue in FY 2009. The Postal Service projects that revenue from this service is likely to decrease given that it is encouraging subscribers to move to the electronic version of the service. Request at 12–14.

The Public Representative comments that given the cost of measuring service performance of Address Correction Service (hard-copy), and the stated intent of the Postal Service to switch customers to electronic or automated ACS, a semi-permanent exception should be granted. Public Representative Comments at 12.

The Commission finds that Address Correction Service (hard-copy) is a product that “defies meaningful measurement” within the intent of the 39 CFR 3055.3(a)(2) given that service standards may be tailored to individual customers. It also is a product where the “cost of implementing a measurement system would be prohibitive in relation to the revenue generated by the

product,” 39 CFR 3055.3(a)(1), given the historical revenue generated and the Postal Service’s intent to migrate customers to the electronic version of the service. The reporting of service performance measurement shall not be required for Address Correction Service (hard-copy only).

2. Alternate Postage Payment Services

The Postal Service explains that Business Reply Mail, International Business Reply Mail, Merchandise Return Service, Bulk Parcel Return, and Shipper Paid Forwarding share the common attribute of allowing customers to establish accounts to pay postage without requiring the actual sender to affix postage. The Postal Service states that the host mailpiece utilizing any of the above services has the same delivery service standard as the applicable host mail product. In the majority of cases, “weighing and rating” is done seamlessly during automated processing, which results in no additional processing time. In a minority of cases, where “weighing and rating” is done manually, manual processing could result in an additional day of delay. Accordingly, the Postal Service contends that it is unable to justify establishing service standards for these special services independent of the host mailpiece, and that these services defy meaningful measurement. Request at 14; *see also* Postal Service Reply Comments at 7–8.

The Public Representative contends that Business Reply Mail does not have the same service performance as the underlying host product because of the weighing and rating processing that must occur with this service. Consequently, the Public Representative urges the Commission to deny a semi-permanent exception for this service. Public Representative Comments at 7–8.

The Commission understands that manually processed Business Reply Mail (and similarly International Business Reply Mail) does not always receive the same delivery service as the underlying First-Class Mail or Priority Mail piece. The Commission listened to many comments from Business Reply Mail users during MTAC meetings related to service standards who expressed concern over the time it took from when mail was delivered to the receiving mail facility, to when the mail was actually delivered to the recipient. The time between these two events allegedly is due to weighing and rating activities, which lends itself to the development of a standard and the measurement of performance. However, no affected mail user offered comments in this docket to indicate that their concerns remain valid.

Hence, based on the Postal Service's representation that the majority of weighing and rating functions now are performed seamlessly, the Commission concludes that the Business Reply Mail services more aptly may be considered merely accounting services that defy meaningful measurement. 39 CFR 3055.3(a)(2). The Commission grants the Postal Service request for a semi-permanent reporting exception for Business Reply Mail and International Business Reply Mail until such time that a problem with service performance is identified that warrants monitoring.⁷

For the remaining services, Merchandise Return Service, Bulk Parcel Return, and Shipper Paid Forwarding, the Commission finds that the services are basically accounting services. In the cases of Merchandise Return Service and Bulk Parcel Return, the services are somewhat customizable to the individual recipient, and in the case of Shipper Paid Forwarding, the Postal Service has no control over when a mailpiece will be forwarded. The Commission finds that these services "def[y] meaningful measurement" within the intent of the 39 CFR 3055.3(a)(2) exception. The reporting of service performance measurement shall not be required for Merchandise Return Service, Bulk Parcel Return, and Shipper Paid Forwarding, each of which is a component of Ancillary Services.

3. Caller Service

The Postal Service explains that Caller Service provides a means for typically higher volume mail recipients to receive mail at a postal retail window or loading dock. The mail that is received is subject to the standards for each class. Pickup times are individually arranged between the delivery office and the mail recipient. The Postal Service contends that this service is not susceptible to any meaningful measurement because of the nature of the service itself. Request at 15-16.

The Public Representative comments that Caller Service is a flexible arrangement between the delivery office and the recipient service which defies meaningful measurement within the meaning of 39 CFR 3055.3(a)(2). Public Representative Comments at 11.

The Commission finds that because Caller Service is customized to individual mail recipients, it is a product that "defies meaningful measurement" within the intent of the 39 CFR 3055.3(a)(2) exception. The reporting of service performance

measurement shall not be required for this product.

4. Change of Address Credit Card Authentication

The Postal Service explains that Change of Address Credit Card Authentication provides a means of verifying a customer's identity by reference to a credit card number. The customer is paying for the identification and not the subsequent processing of the change of address. The transaction is complete upon authorization and the debiting of the fee. The Postal Service contends that it is not feasible to establish a standard for the timely completion of the authorization. Request at 16.

The Public Representative concurs that Change of Address Credit Card Authentication is a transaction-based service which defies meaningful measurement within the meaning of 39 CFR 3055.3(a)(2). Public Representative Comments at 11.

The Commission finds that this service defies meaningful measurement and falls within the parameters of 39 CFR 3055.3(a)(2) for an exception from performance measurement reporting. Change of Address Credit Card Authentication is a transaction-based service which involves an identity verification and the collection of a fee. The request for a semi-permanent exception from reporting is granted.

5. Certificate of Mailing and International Certificate of Mailing

The Postal Service explains that Certificate of Mailing and International Certificate of Mailing are part of the acceptance of a mailpiece which includes the purchase of a certificate. The services are complete upon purchase and provision of the certificate. The Postal Service argues that it sees no means or need for a standard to measure the timely completion of these services. Request at 16-17.

The Public Representative comments that Certificate of Mailing and International Certificate of Mailing are transaction-based services which defy meaningful measurement within the meaning of 39 CFR 3055.3(a)(2). Public Representative Comments at 11.

The Commission finds that these services defy meaningful measurement and fall within the parameters of 39 CFR 3055.3(a)(2) for an exception from performance measurement reporting. Certificate of Mailing and International Certificate of Mailing each only involve a window transaction. The request for a semi-permanent exception from reporting is granted.

6. Money Orders

The Postal Service explains that once a Money Order is purchased, there is nothing further for the Postal Service to do. Thus, it argues that it is difficult to conceive of a practical way to measure Money Order performance. However, the Postal Service states that it has established standards and will report the performance of Money Order "inquiries" as part of the Special Service reporting. Request at 17.

The Public Representative comments that the purchase of Money Orders is a transaction-based service which defies meaningful measurement within the meaning of 39 CFR 3055.3(a)(2). Public Representative Comments at 11.

The Commission finds that the sales aspect of this service defies meaningful measurement and falls within the parameters of 39 CFR 3055.3(a)(2) for an exception from performance measurement reporting. The sale of Money Orders only involves a window transaction. The request for a semi-permanent exception from reporting is granted. The Commission expects the Postal Service to continue to measure and report the service inquiry aspect of Money Orders.

7. Parcel Airlift and Special Handling
Parcel Airlift provides air transportation of Standard Mail parcels on a space available basis to or from military post offices outside the contiguous 48 United States. Special Handling provides preferential handling to the extent practicable in dispatch and transportation of First-class and Package Services. The Postal Service explains that each product is purchased subject to the understanding that the requested service is subject to availability, *i.e.*, it cannot be known whether the processing or transportation upgrade can be accommodated. Thus, service standards or service performance measurement is unwarranted. Request at 17-18.

The Public Representative comments that Parcel Airlift and Special Handling are provided on a space available or to the extent practical basis which defies meaningful measurement within the meaning of 39 CFR 3055.3(a)(2). Public Representative Comments at 11-12.

Because Parcel Airlift and Special Handling are provided on a space available or to the extent practical basis, the Commission finds these services defy meaningful measurement and fall within the parameters of 39 CFR 3055.3(a)(2) for an exception from performance measurement reporting. The request for a semi-permanent exception from reporting is granted.

8. Restricted Delivery and International Restricted Delivery

The Postal Service explains that Restricted Delivery and International

⁷ If it becomes necessary, development of a proxy for reporting International Business Reply Mail may be appropriate.

Restricted Delivery are services that permit the sender to direct that a mailpiece be delivered to a particular person (or person's agent) at a delivery address. The Postal Service states that the delivery choice is either the mailpiece is delivered to the named addressee, or the mailpiece is delivered to someone else. It contends that it is not feasible to develop a standard for measurement (without tracking the identity of all of the mail recipients). It further contends that the international version of the service has the additional complications of acceptance of the request (inbound) or fulfillment of the service (outbound) not being entirely within the Postal Service's control. Request at 18–19, *see also* Postal Service Reply Comments at 9–10.

The Public Representative contends that reporting may be based on whether or not the mailpieces were delivered to the correct recipient. Thus, the Public Representative contends that a semi-nt exception from reporting should not be granted. Public Representative Comments at 9–10.

The Commission agrees with the Postal Service that it may be impractical to develop a measurement system for either the domestic or the international versions of Restricted Delivery. The Postal Service would in effect be obliged to design a measurement system to measure whether a mailpiece was or was not delivered to a correct person. The Commission finds that International Restricted Delivery has the added difficulty of being partly dependent upon foreign postal operators, which in itself makes it difficult to design a meaningful performance measurement and reporting system. For the above reasons, Restricted Delivery and International Restricted Delivery fall within the parameters of 39 CFR 3055.3(a)(2) for an exception from performance measurement reporting. The request for a semi-nt exception from reporting is granted.

9. Stamped Envelopes, Cards, and Stationery

The Postal Service contends that Stamped Envelopes, Cards, and Stationery are incompatible with meaningful service performance measurements. Request at 19.

The Public Representative comments that Stamped Envelopes, Cards, and Stationery are transaction services which defy meaningful measurement within the meaning of 39 CFR 3055.3(a)(2). Public Representative Comments at 11.

Stamped Envelopes, Cards, and Stationery only involve a window transaction. Thus, the Commission finds that these components of Special

Services defy meaningful measurement and fall within the parameters of 39 CFR 3055.3(a)(2) for an exception from performance measurement reporting. The request for a semi-permanent exception from reporting is granted.

10. Customs Clearance and Delivery Fee

The Postal Service explains that Customs Clearance and Delivery Fee involves the collection of a fee from the recipient of each inbound package on which customs duty or Internal Revenue Service tax is assessed. Request at 19–20. This is done at the direction of Customs and Border Protection and the Internal Revenue Service. The Postal Service contends that there is no customer interaction that warrants performance measurement.

The Public Representative comments that Customs Clearance and Delivery Fee is a transaction-based service which defies meaningful measurement within the meaning of 39 CFR 3055.3(a)(2). Public Representative Comments at 11.

Customs Clearance and Delivery Fee is a transaction-based service which involves the collection of a fee. The Commission finds that this service defies meaningful measurement and fall within the parameters of 39 CFR 3055.3(a)(2) for an exception from performance measurement reporting. The request for a semi-permanent exception from reporting is granted.

11. International Insurance with Inbound International Surface Parcel Post

The Postal Service explains that International Insurance is available with Inbound International Surface Parcel Post (at UPU Rates) tendered by foreign postal operators. The Universal Postal Union establishes time limits for inquiry and claims processing. The Postal Service contends that there is a relatively small number of insured mailpieces given the small volume of International Surface Parcel Post (at UPU Rates). For insurance inquiries filed with foreign posts, the Postal Service does not have control of the claims processing and information exchange response times of those foreign posts. For insurance claims filed with the Postal Service (only applicable to parcels where the foreign sender has waived the right of recovery), the Postal Service does not consider it feasible or practicable to establish an independent service standard. Request at 20–22, *see also* Postal Service Reply Comments at 4–7.

The Public Representative argues that an exception should not be granted. He contends that the processing times for claims submitted by United States recipients, or processing times for

requests submitted by foreign posts, could be reported. Public Representative Comments at 8–9.

Given the small volume of insured Inbound International Surface Parcel Post (at UPU Rates), and the even smaller volume that might have claims filed by United States recipients, the Commission finds it impracticable to require the Postal Service to report service performance for the International Insurance component of the International Ancillary Services product. *See* 39 CFR 3055.3(a)(2). The request for a semi-permanent exception from reporting is granted.

12. Outbound International Registered Mail

The Postal Service explains that Outbound International Registered Mail provides added security for a mailpiece from acceptance to delivery, and indemnity in case of loss or damage. Request at 22. The Postal Service asserts that the service does not affect the in-transit service standard of the host mailpiece. Because final delivery scan information depends upon the foreign postal operator responsible for delivery, and not the Postal Service, the Postal Service contends that it is infeasible to require performance measurements comparable to that for the domestic Registered Mail or Inbound International Registered Mail.

The Public Representative concurs that Outbound International Registered Mail is dependent upon foreign postal operators and thus, defies meaningful measurement within the meaning of 39 CFR 3055.3(a)(2). Public Representative Comments at 12.

The Commission finds that Outbound International Registered Mail is partly dependent upon foreign postal operators, which makes it difficult to design a meaningful performance measurement and reporting system. Because of this, it falls within the parameters of 39 CFR 3055.3(a)(2) for an exception from performance measurement reporting. The request for a semi-permanent exception from reporting is granted.

13. International Return Receipts

The Postal Service explains that all International Return Receipts (inbound and outbound) are provided in hard-copy form. Request at 22–24. It notes that the physical return cards have the same delivery service standards as Single-Piece First-Class Mail International, which could be used as a proxy for this portion of the service. However, because part of the International Return Receipts service is provided by foreign postal operators, it is difficult to design a meaningful system to measure the pertinent features

of International Return Receipts similar to what is being proposed for domestic Return Receipts.

The Public Representative concurs that International Return Receipts (inbound and outbound) is dependent upon foreign postal operators and thus, defies meaningful measurement within the meaning of 39 CFR 3055.3(a)(2). Public Representative Comments at 12.

The Commission finds that International Return Receipts (inbound and outbound) is partly dependent upon foreign postal operators, which makes it difficult to design a meaningful performance measurement and reporting system. Because of this, it falls within the parameters of 39 CFR 3055.3(a)(2) for an exception from performance measurement reporting. The request for a semi-permanent exception from reporting is granted.

14. International Reply Coupons

The Postal Service explains that International Reply Coupon (inbound and outbound) service allows a sender to prepay a reply mailpiece by purchasing reply coupons that are exchangeable for local postage stamps by postal administrators in member countries of the Universal Postal Union. Request at 24–25. It contends that because the transaction is complete at the time of purchase, and because no additional service is required, it is difficult to conceive of a meaningful system to define or measure service performance for this product. *Id.* at 24.

The Public Representative concurs that International Reply Coupons (outbound and inbound) is a transaction-based service which defies meaningful measurement within the meaning of 39 CFR 3055.3(a)(2). Public Representative Comments at 11.

The Commission finds that International Reply Coupon (inbound and outbound) service is a transaction-based service which falls within the parameters of 39 CFR 3055.3(a)(2) for an exception from performance measurement reporting. The request for a semi-permanent exception from reporting is granted.

E. Market Dominant Negotiated Service Agreements

Three market dominant negotiated service agreement products are currently active:

- The Bradford Group Negotiated Service Agreement;
- Life Line Screening Negotiated Service Agreement; and
- Canada Post–United States Postal Service Contractual Bilateral Agreement for Inbound Market Dominant Services.

The Postal Service asserts that the mail tendered under each negotiated service agreement already is included in

the measurement of other products: Standard Mail Letters for The Bradford Group; Standard Mail Letters and Flats for Life Line Screening; and Inbound Single-Piece First-Class Mail International for Canada Post. It requests that all three agreements be excluded from reporting based upon the parameters of 39 CFR 3055.3(a)(3), “[t]he product, or component of a product, is in the form of a negotiated service agreement with substantially all components of the agreement included in the measurement of other products.” Request at 25.

The Public Representative concurs that the semi-permanent exceptions for the three negotiated service agreements are justified under 39 CFR 3055.3(a)(3). Public Representative Comments at 10–11.

The Commission finds that the listed negotiated service agreements fall within the parameters of 39 CFR 3055.3(a)(3) for exceptions from performance measurement reporting. The requests for semi-permanent exceptions from reporting are granted.

V. Ordering Paragraphs

It is ordered:

1. The Postal Service products, or components of products, listed following the signature page of this order are granted an exception from annual and periodic reporting of service performance achievements under 39 CFR part 3055, subparts A and B, pursuant to 39 CFR 3055.3. All other requests for exceptions are hereby denied.

2. The deadline for the Postal Service to file a request for waivers, originally established in Order No. 465, shall be extended until October 1, 2010.

3. The Motion for Leave to File Response to Comments of the Public Representative, filed August 12, 2010, is granted.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

Shoshana M. Grove,
Secretary.

Appendix

The following products, or components of products, are granted an exception from annual and periodic reporting of service performance achievements under 39 CFR part 3055, subparts A and B, pursuant to 39 CFR 3055.3.

Special Services (the following listed products only)

Ancillary Services (the following listed components of the product only):
Address Correction Service (hard-copy)
Business Reply Mail

Bulk Parcel Return
Certificate of Mailing
Merchandise Return
Parcel Airlift (PAL)
Restricted Delivery
Shipper Paid Forwarding
Special Handling
Stamped Envelopes
Stamped Cards
Premium Stamped Stationary
Premium Stamped Cards
International Ancillary Services (the following listed components of the product only)
International Certificate of Mailing
International Registered Mail (outbound only)
International Return Receipt
International Restricted Delivery
International Insurance (with Inbound Surface Parcel Post (at UPU Rates))
Customs Clearance and Delivery Fee
Caller Service
Change of Address Credit Card Authentication
International Reply Coupon Service
International Business Reply Mail Service
Money Orders (sales aspect of this service only)
Negotiated Service Agreements (the following listed products only):
The Bradford Group Negotiated Service Agreement
Life Line Screening Negotiated Service Agreement
Canada Post–United States Postal Service Contractual Bilateral Agreement for Inbound Market Dominant Services

[FR Doc. 2010–23788 Filed 9–22–10; 8:45 am]

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POSTAL REGULATORY COMMISSION

[Docket Nos. CP2010–116, CP2010–117, and CP2010–118; Order No. 541]

New Postal Product

AGENCY: Postal Regulatory Commission.
ACTION: Notice.

SUMMARY: The Commission is noticing a recently-filed Postal Service request to add three Global Expedited Package Services 3 contracts to the competitive product list. This notice addresses procedural steps associated with this filing.

ADDRESSES: Submit comments electronically via the Commission’s Filing Online system at <http://www.prc.gov>. Commenters who cannot submit their views electronically should contact the person identified in **FOR FURTHER INFORMATION CONTACT** by telephone for advice on alternatives to electronic filing.

FOR FURTHER INFORMATION CONTACT: Stephen L. Sharfman, General Counsel, stephen.sharfman@prc.gov or 202–789–6820.

SUPPLEMENTARY INFORMATION: