

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

SERVICE PERFORMANCE MEASUREMENT
SYSTEMS FOR MARKET DOMINANT PRODUCTS
(CONSOLIDATING DOCKET NOS. PI2025-2 AND RM2024-9)

Docket No. RM2024-9
Docket No. PI2025-2
Docket No. PI2025-5
Docket No. PI2025-6

COMMENTS OF THE NEWS/MEDIA ALLIANCE
(September 23, 2025)

The News/Media Alliance (“N/MA”) respectfully submits these comments in response to Order No. 9175¹ on the Postal Service’s petition for permission to reduce the accuracy of its service performance measurements by excluding certain mailpieces delayed by “extraordinary events.”² N/MA opposes this petition for several reasons.

The Commission is well aware that the reported service performance is quite poor for the Periodicals mail that N/MA members use. Periodicals service has come nowhere near the published service standards for years and consistently falls below the less demanding “targets” that the Postal Service sets for itself. Service for Within-County mail is not measured at all but rather is generated via proxy, and much Periodicals mail currently is not measured. Anecdotal reports to N/MA from its

¹ Notice and Order Regarding Consideration of Proposed Modifications to Service Performance Measurement Plan for Market Dominant products and Related Design Documents, Docket No. RM2024-9 et seq. (Mar. 4, 2025).

² *United States Postal Service Notice of Filing Changes To Service Performance Measurement Plan Document*, Docket No. PI2025-6 (Sept. 9, 2025) (“USPS Petition”). Order No. 9175 consolidated Docket No. PI2025-6 into Docket No. RM2024-9.

members often suggest that service, at least in some areas, is far worse than the national averages, which can lead to customers unsubscribing.

The Postal Service does not address what effect its changes would have on reported Periodicals performance. However, it is clear that by ignoring the poor service attributed to storms, wildfires or any of the other long list of events beyond the Service's control, the reports would look better than reality.

The Postal Service is not alone in having to report unfortunate consequences of events outside of its control. Many publicly-traded companies might prefer to exclude the effects of events outside of their control such as weather, tariffs, or even poor postal delivery. Instead, however, consistent with Generally Accepted Accounting Principles ("GAAP") and Securities and Exchange Commission regulations, they report the actual results and provide management commentary regarding the adverse events.

Should N/MA members' subscribers who call to cancel due to poor postal delivery ignore late or non-delivery because the Postal Service's performance is beyond the publisher's control? Or should the publisher tell them that the issues were timely deposited with the Postal Service, so therefore the recipients should not consider copies delivered weeks thereafter to be late?

As Order No. 9175 notes (at 6), the Commission has authority to revise its rules whenever it appears that "the quality of service data has become significantly inaccurate or can be significantly improved" or when the Commission believes the change is "necessitated by the public interest." See *also* Order No. 8942, Docket No. RM2024-9 *et al.*, at 13 (June 27, 2025). That standard is not met here. The Postal Service's

proposal should not be approved, nor should the Commission modify its service performance regulations set forth in 39 C.F.R. §3055.2(n) and 39 C.F.R. §3055.31(h).³

The Postal Service contends that its proposed change would provide a “more accurate, reliable, representative, and useful” account of its performance. *USPS Petition* at 7. It does not claim that the existing service performance reports are inaccurate – indeed, it concedes that current service performance results that include mailpieces affected by “extraordinary events accurately reflect service times experienced” by actual mail users (*id.* at 3). Instead, it claims that the Commission and public are more interested in its ordinary performance unaffected by common events such as heavy storms, wildfires, floods, power outages, and other events outside of its control.

First, contrary to the Postal Service’s claim, N/MA members are interested in actual performance. Periodicals are time-sensitive materials, and actual performance to all areas in all conditions matter. Ordinary performance is useful information, but actual performance is what subscribers experience. Rather than reducing the number of measured pieces, the Postal Service should be striving to *increase* the number of Periodicals pieces in measurement.

Second, the proposed change would make the reported performance *less* accurate by definition. The proposal would render the reported service performance inaccurate simply by not including mailpieces that experienced worse service. It thus

³ These regulations address the inclusion and exclusion of mail from annual compliance and quarterly performance reports, respectively.

would undermine public confidence in the reported data and would be misleading to mailers, the Commission, the public, and Congress.

Third, the Postal Service mischaracterizes the Commission's interest in obtaining additional information about the effects of weather or other disasters. In the decisions cited by the Postal Service, the Commission repeatedly has urged the Service to take more steps to quantify the effects of network disruptions and diagnose the corresponding service failures.⁴ Most recently, the Commission urged the Postal Service resume development of the paused Unexpected Events Initiative to quantify and diagnose service failures caused by outside factors.⁵

The Commission's inquiries were intended to determine the consequences of natural events and to identify the causes of service disruptions so that the Postal Service could manage them better in the future, not to disregard them. Indeed, disregarding such disruptions in the official service measurement would, if anything, reduce the Postal Service's incentive to improve such operations. At most, the Commission has suggested that the Service might use such quantified data to develop "appropriate targets that account for foreseeable annual disruptions outside of the Postal Service's control." *PRC FY 2021 Analysis* at 50.⁶

⁴ E.g., Analysis of the Postal Service's FY 2021 Annual Performance Report and FY 2022 Performance Plan, at 50 (June 30, 2022) ("PRC FY 2021 Analysis"); *Analysis of the Postal Service's FY 2023 Annual Performance Report and FY 2024 Performance Plan*, Docket No. ACR2023, 58-59 (July 2, 2024).

⁵ *Analysis of the Postal Service's FY 2024 Annual Performance Report and FY 2025 Performance Plan*, Docket No. ACR2023, Appendix A at 4 (July 23, 2025) ("PRC FY 2024 Analysis").

⁶ It is unclear whether the Postal Service has the staffing necessary to diagnose and improve disaster recovery, although it apparently does have staff prepared to select what data to disregard. See *USPS Petition* at 6.

Fourth, the Postal Service's proposal appears to give the Service unilateral and unreviewable authority to decide what events to exclude. That is problematic because the proposed criteria are vague, undefined and would provide ample ambiguity for the Postal Service to manipulate and improve reported results. For example, key terms such as "disrupt," "temporary," "availability of key personnel," and "material" leave substantial room for interpretation.⁷ Nor is the list of possible disruptive causes limited to natural disasters; it includes such normal business problems as power or Internet outages, strikes, bankruptcy of vendors, and more. And the breadth of the proposal is quite broad: it would empower the Postal Service to disregard not only mailpieces directly affected by a storm, but also those processed at a second facility as an indirect result of a disruption at a first facility.

The Commission and interested persons would also wonder about whether the Service has interpreted "material" effects on service consistently either within a year or from year to year. Just two months ago, the Commission reminded the Postal Service of the need to ensure comparability in service performance reporting from year to year. See *PRC FY 2024 Analysis*, Appendix A at 2.

Finally, the proposed change could create perverse incentives. For example, if the Commission were to adopt a performance incentive mechanism tied to service performance, then the Postal Service could receive the benefit not by improving service, but simply by excluding from measurement mailpieces that received poor service.

⁷ *USPS Petition*, United States Postal Service Service Performance Measurement Revised September 9, 2025, at §10.7.

In essence, the Postal Service is asking the Commission to approve a service counterpart to the Postal Service's concept of "controllable costs." The Service invented that non-GAAP concept in an effort to portray the Service's financial performance based on matters within its control.⁸

If the Postal Service wants to maintain, for its own purposes, a measure of the service performance it believes it could accomplish if common, recurring natural events such as storms, wildfires, and vendor problems did not occur, it could do so. However, such an idealized calculation should have no legal or regulatory status and should not be part of the Commission approved service performance measurement system.

The News/Media Alliance urges the Commission to not approve the Postal Service's proposal. Accordingly, there is no reason to modify the Commission's current service performance reporting requirements.

Respectfully submitted,

N/MA – The News/Media Alliance

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⁸ Even that is not entirely correct, as the Postal Service can exert indirect control over some of the so-called "non-controllable costs" by managing its employee headcount.