



## POSTAL REGULATORY COMMISSION

### 39 CFR Part 3055

[Docket No. RM2026-1; Order No. 9566]

RIN-3211-AA40

### Service Performance Reporting Requirements; Revisions

**AGENCY:** Postal Regulatory Commission.

**ACTION:** Final rule.

**SUMMARY:** The Commission is adopting final rule revisions that update the existing annual service performance reporting requirements for the Postal Service's Market Dominant products.

**DATES:** *Effective* [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** For additional information, Order No. 9566 can be accessed electronically through the Commission's website at <https://www.prc.gov>.

**FOR FURTHER INFORMATION CONTACT:** David A. Trissell, General Counsel, at 202-789-6820.

### SUPPLEMENTARY INFORMATION:

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#### I. Background

The Postal Accountability and Enhancement Act (PAEA) enhanced the Commission's role in overseeing how the Postal Service reports information.<sup>1</sup>

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<sup>1</sup> Postal Accountability and Enhancement Act (PAEA), Pub. L. 109-435, 120 Stat. 3198 (2006). See 39 U.S.C. 3652(e).

The PAEA requires the Commission to prescribe the content and form of the public reports that the Postal Service files with the Commission under section 3652. 39 U.S.C. 3652(e)(1). The Commission may initiate proceedings to improve the quality, accuracy, or completeness of Postal Service reporting whenever the Commission determines that service performance data have become significantly inadequate, could be significantly improved, or otherwise requires revision as necessitated by the public interest. 39 U.S.C. 3652(e)(2). The PAEA introduced new requirements that led to the Postal Service developing service standards (a delivery day range and business rules), service performance goals (on-time percent targets), and service performance measurement systems. Following a multi-year evaluation process, on July 5, 2018, the Commission approved the use of the Internal Service Performance Measurement (SPM) System.<sup>2</sup> In doing so, the Commission found the applicable standard for use of an internal service performance measurement system to be whether the system is capable of reporting accurate, reliable, and representative service performance data. *Id.* at 15.

From a design perspective, SPM is significantly more complex than the measurement systems that preceded it. In recent months, the Postal Service has three times given the Commission notice of substantial planned changes to the SPM system.<sup>3</sup>

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<sup>2</sup> Docket No. PI2015-1, Order Approving Use of Internal Measurement Systems, July 5, 2018 (Order No. 4697).

<sup>3</sup> In the first two of these instances, the Commission put in place interim reporting requirements to enable it to evaluate the effect of these changes on SPM's accuracy, reliability, and representativeness, and also to evaluate whether any revisions to the Commission's service performance reporting requirements with respect to measurement exclusions are necessary. See Docket Nos. RM2024-9 and PI2025-2, Interim Order Regarding Proposed Service Performance Measurement Changes, March 28, 2025, at 22-23, 37-39, 40-41 (Order No. 8761). These reporting requirements were partially modified by Order No. 8823. See Docket Nos. RM2024-9 and PI2025-2, Order Conditionally Granting Motion for Reconsideration of Order No. 8761, April 30, 2025 (Order No. 8823). See also Docket Nos. RM2024-9, PI2025-2, and PI2025-5, Interim

The recent enactment of the Postal Service Reform Act of 2022 (PSRA) codified a requirement for the Postal Service to set reasonable performance targets for each product and to provide those targets to the Commission for the Commission to evaluate compliance each year.<sup>4</sup>

## **II. Basis of Rule Revisions**

Pursuant to 39 U.S.C. 503, 3652, 3653, 3691, and 3692, the Commission revises the service performance reporting rules at 39 CFR Part 3055, subpart A.

First, the Commission revises existing §§ 3055.4 and 3055.5 to more specifically address changes to internal service performance measurement systems. These revisions establish a burden of proof that proposed changes to such systems will be required to meet and prevent the Postal Service from implementing changes without prior Commission approval. They also codify the Commission's existing authority to initiate a proceeding to review such systems at any time, and implement a procedure whereby interested persons can petition the Commission to initiate such a proceeding. The Commission has made one modification to its initial proposal by adding a new paragraph (c) within revised § 3055.4 that establishes a default period of 90 days for the Commission to review notices of proposed changes to internal or hybrid measurement systems, while reserving to the Commission the right to extend that period if the Commission finds it necessary to do so. If the Commission does extend the review period, the Commission shall issue an order explaining why it needs more time to review the

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Order Regarding Further Proceedings on Planned Service Performance Measurement Changes, June 27, 2025, at 23-24 (Order No. 8942). The third notice of planned changes was dismissed without prejudice. See Docket Nos. RM2024-9, PI2025-2, PI2025-5, and PI2025-6, Order Dismissing Without Prejudice Notice of Planned Service Performance Measurement Changes, October 8, 2025 (Order No. 9241).

<sup>4</sup> Postal Service Reform Act of 2022, Pub. L. 117-108, 136 Stat. 1127 (2022).

notice and providing an expected date for completion of the Commission's review.

Second, the Commission revises existing § 3055.5 to require the Postal Service to begin providing notice of all changes to service standard delivery day ranges and changes to origin/destination ZIP Code pairs that affect the number of days to delivery, at least 7 days prior to implementation. This is a slight modification from the Commission's initial proposal, which would have required notice of such changes to be provided 30 days prior to implementation.

Third, the Commission revises existing §§ 3055.6 and 3055.7 in recognition of the PSRA's requirement that the Postal Service establish and file with the Commission reasonable performance targets, which the Commission must use to evaluate compliance for each product. 39 U.S.C. 3692(a). The Postal Service will be required to provide sufficient information about the criteria used to select the targets for the Commission to be able to determine, by a preponderance of the evidence, that the targets are, in fact, reasonable.

The Commission finds that each of these revisions will improve the quality of service performance data and further the public interest. 39 U.S.C. 3652(e)(2)(B)-(C).

### **III. Final Rules**

#### **List of Subjects in 39 CFR Part 3055**

Administrative practice and procedure, Reporting and recordkeeping requirements.

For the reasons stated in the preamble, the Commission amends 39 CFR part 3055 as follows:

**PART 3055—SERVICE PERFORMANCE AND CUSTOMER SATISFACTION  
REPORTING**

1. The authority citation for part 3055 is revised to read as follows:

**Authority:** 39 U.S.C. 503, 3622, 3651, 3652, 3653, 3691, 3692, 3705.

2. Revise § 3055.4 to read as follows:

**§ 3055.4 Internal service performance measurement systems.**

(a) Service performance measurements obtained from internal service performance measurement systems or hybrid service performance measurement systems (which are defined as systems that rely on both an internal and an external measurement component) shall not be used to comply with any reporting requirement under subparts A or B of this part without prior Commission approval.

(b) The Postal Service shall file notice with the Commission describing any proposed changes to internal or hybrid service performance measurement systems (including proposed changes to any associated reporting methodologies or the use of proxies). In proposing such changes, the Postal Service must demonstrate, by a preponderance of the evidence, that internal or hybrid service performance measurement systems will be capable of producing accurate, reliable, representative, and useful service performance data and results. The Commission may summarily dismiss (without prejudice to refiling) any proposal that fails to include this information. The Postal Service's proposal must specify any planned implementation date(s), any requested decision date(s), and the reasons therefor. Preponderance of the evidence means proof by information that, compared with that opposing it, leads to the conclusion that the fact at issue is more probably true than not.

(c) In the absence of a determination of good cause for an extension, the Commission shall issue an order on a notice filed pursuant to paragraph (b) of this section not later than 90 days following the filing of the Postal Service's notice. If the Commission determines that an order cannot reasonably be issued within 90 days, then the Commission shall issue an order explaining why and providing an expected date for completion of Commission review.

(d) Changes to internal or hybrid service performance measurement systems proposed pursuant to paragraph (b) of this section may not be implemented without prior Commission approval.

(e) The Commission may initiate a proceeding at any time to consider whether internal or hybrid service performance measurement systems are producing accurate, reliable, representative, and useful service performance data and results. Any interested person, including a public representative, may submit a petition to the Commission to initiate such a proceeding.

3. Revise § 3055.5 to read as follows:

**§ 3055.5 Changes to external service performance measurement systems, service standards, service goals, or reporting methodologies.**

(a) The Postal Service shall file notice with the Commission describing all changes to external service performance measurement systems and service goals (including performance targets), 30 days prior to planned implementation. The Postal Service shall also file notice with the Commission describing all changes to reporting methodologies, including the use of proxies (other than reporting methodologies or the use of proxies associated with internal or hybrid service performance measurement systems as described by § 3055.4 of this part), 30 days prior to planned implementation. The Commission may initiate a proceeding at any time to consider such changes if it appears that the changes

might have a material impact on the accuracy, reliability, or utility of the reported measurement, or if the changes might have a material impact on the characteristics of the underlying product.

(b) No later than 7 days before planned implementation of any change to service standard delivery day ranges or origin/destination ZIP Code pairs that affect the number of days to delivery, the Postal Service shall file notice with the Commission describing the exact nature and scope of implementation. Each notice shall use plain language to list all locations affected by the change in service standards (at the level of granularity of the service standard), the categories of affected market dominant products, the current service standard, the planned service standard, and the date of the planned change. If the change in service standards is associated with a Change in the Nature of Postal Services docket pursuant to 39 U.S.C. 3661 and part 3020 of this chapter, then each notice shall be filed in the applicable Change in the Nature of Postal Services docket. Otherwise, each notice should be filed in the most recent Annual Compliance Report docket.

4. Revise § 3055.6 to read as follows:

**§ 3055.6 Addition of new market dominant products or changes to existing market dominant products.**

Whenever the Postal Service proposes the addition of a new market dominant product or a change to an existing market dominant product, it also shall propose new or revised (as necessary) service performance measurement systems, service standards, service goals (including performance targets), data reporting elements, and data reporting methodologies.

5. Revise § 3055.7 to read as follows:

**§ 3055.7 Reasonable performance targets.**

(a) Pursuant to 39 U.S.C. 3692(a)(1), the Postal Service shall establish reasonable performance targets for each market dominant product for each fiscal year and provide such targets to the Commission not later than 60 days after the beginning of the fiscal year in which they will apply. In setting reasonable performance targets, the Postal Service must consider and balance:

(1) the need for each target to establish a clear path toward improving performance and enabling the provision of high-quality service; and

(2) the need for each target to be realistically attainable considering the Postal Service's network, workforce, transportation capacity, and financial resources, and actual service standards in effect.

(b) The Postal Service's filing made pursuant to paragraph (a) of this section shall contain sufficient information about the criteria used to select the targets for the Commission to be able to determine (based on the contents of the Postal Service's filing alone), by a preponderance of the evidence, that the targets set by the Postal Service are reasonable. Preponderance of the evidence means proof by information that, compared with that opposing it, leads to the conclusion that the fact at issue is more probably true than not.

(c) The Commission will use each reasonable target set by the Postal Service to evaluate compliance for each market dominant product for a given fiscal year pursuant to 39 U.S.C. 3653(b)(2).

By the Commission.

**Mallory S. Richards,**

*Attorney-Advisor.*