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(5 U.S.C. 552(a))

Dated at Rockville, Maryland, this 25th day of September 2001.

For the Nuclear Regulatory Commission.

Michael E. Mayfield,

*Director, Division of Engineering Technology,
Office of Nuclear Regulatory Research.*

[FR Doc. 01-25188 Filed 10-5-01; 8:45 am]

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POSTAL SERVICE

Request for Comments on an Outline for Discussion: Concepts for Postal Transformation

AGENCY: Postal Service.

ACTION: Request for comments.

SUMMARY: At the request of Congress and the Comptroller General, the Postal Service is preparing a comprehensive plan for the structural transformation of the postal system to meet the challenges of serving the American public through the remainder of this decade. The Comprehensive Transformation Plan will be presented to Congress and the General Accounting Office on December 31, 2001. As an interim step, the Postal Service has issued a paper entitled *An Outline for Discussion: Concepts for Postal Transformation*. This *Outline for Discussion* describes the framework and process that we are using to prepare the plan. We invite comments and suggestions from all interested parties to help us to complete a plan that serves the public interest and advances public engagement in shaping the future of America's postal system.

DATES: Comments must be received by November 1, 2001.

ADDRESSES: Those responding are encouraged to email their comments to transformation@email.usps.gov. Those wishing to send written comments should mail them to Julie S. Moore, Executive Director, Office of Transformation, Strategic Planning, Room 4011, United States Postal Service Headquarters, 475 L'Enfant Plaza, SW, Washington, DC 20260-1520.

FOR FURTHER INFORMATION CONTACT: Paul Van Coverden (202) 268-8130.

SUPPLEMENTARY INFORMATION:

Background

On April 4, 2001, David M. Walker, Comptroller General of the United States, advised the House of Representatives Committee on Government Reform that the Postal Service "faces major challenges that collectively call for a structural

transformation if it is to remain viable in the 21st century." He called on the Postal Service, in conjunction with all stakeholders, to prepare a comprehensive plan identifying "the actions needed to address the Service's financial, operational, and human capital challenges and establish a time frame and specify key milestones for achieving positive results." On April 24, 2001, Mr. Bernard L. Ungar, Director, Physical Infrastructure Issues, U.S. General Accounting Office, wrote to former Postmaster General William J. Henderson formally recommending that the Postal Service develop such a comprehensive plan. On June 14, 2001, following Mr. Walker's testimony before the Senate Committee on Governmental Affairs on May 15, 2001, the chair and ranking members of the committee and its Postal Oversight Subcommittee wrote to Postmaster General John E. Potter endorsing the Comptroller General's recommendation and asking for the plan by the end of calendar year 2001. On July 25, 2001, Postmaster General Potter advised Congress that the Postal Service agreed to prepare a Comprehensive Transformation Plan, as requested.

Outline for Discussion: Concepts for Postal Transformation

As an interim step in the process, on September 30, 2001, the Postal Service provided to Congress and the Comptroller General a paper entitled *Outline for Discussion: Concepts for Postal Transformation*. This paper is available on the Postal Service's public Web site at www.usps.com/strategicdirection or at www.usps.com keyword: transformation. The *Outline for Discussion* describes in greater detail the background and purpose of the Comprehensive Transformation Plan and the process that the Postal Service is using to develop the plan, including extensive outreach to interested stakeholders. After preliminary, informal discussion with many of those who have taken part in the public debate over postal reform in recent years, the *Outline for Discussion* frames the guiding question on the table as follows: *To best serve the needs of the American people and the American economy in the 21st century, what should America's postal system look like (or transform to) by year 2010?*

The *Outline for Discussion* describes the fundamental obstacle faced by the current postal system that is a clash between service and economics. As a nation, how can we best structure our postal system in the years ahead so that we pay what we are willing to pay for as much service as we can get?

The Postal Service has a mission to serve every address in a growing nation. Its networks, with associated costs, are constantly expanding to accommodate new deliveries, adding new facilities and delivery routes roughly equivalent to those for a city the size of Chicago, year after year. Until recently, during a long period of strong economic expansion in the United States, the Postal Service benefited from growing mail volumes, with increasing postage revenue sufficient to pay for the expanding network, and kept postage rates in line with inflation. Over the past year, though, as the economy has slowed, mail volume and revenue have also suffered. The Postal Service has improved its productivity during this period at an unprecedented rate, but lacks many of the tools that private businesses have to deal with financial setbacks. In particular, its service responsibilities prevent abandoning unprofitable locations or new addresses.

To break even, the Postal Service currently must earn, on average, about \$1.85 per delivery address every day to cover the entire cost of the postal system. The *Outline for Discussion* explains that this figure may well rise by one third to \$2.46 by 2010. If the robust pattern of mail volume growth in past years should return, then this may not be a problem. But changes in competition and technology suggest that, while a system for delivery of hard-copy mail will still be important, the volume of mail in the system may not grow enough in the future to keep pace with the growth in infrastructure required to serve an ever-growing number of addresses.

By all indications, success in 21st century markets will belong to those nimble enough to adjust rapidly and continuously, to keep pace with advancing technology and changes in business methods and customer demand. Yet the Postal Service today is organized under an aging statutory framework designed to favor and protect the status quo and to route all change through slow, deliberative processes seeking a high level of consensus among disparate interests.

Solicitation of Comments

The United States Postal Service solicits comments on the *Outline for Discussion* that is posted on the Postal Service's Strategic Direction web page at: www.usps.com/strategicdirection or at www.usps.com keyword: transformation.

Comments would be welcome on the following core question:

- *To best serve the needs of the American people and the American*

economy in the 21st century, what should America's postal system be like (or transform to) in the next decade?

Responses to the following specific questions would also be appreciated:

- Should that system provide "universal service" and what should that entail?

Traditional concepts of universal service in the United States have included a number of characteristics including delivery scope and standards, access to Post Offices, uniform pricing, product offerings, and security services. Should all of these features continue to be a part of postal services? For example, should the Postal Service deliver to every neighborhood every day? Should delivery frequency be reduced for low mail volume neighborhoods? Should retail service to nearly 40,000 outlets continue? Should alternative delivery methods be encouraged?

- What should the "core" services of the future Postal Service be?

Some observers such as the Comptroller General have challenged the Postal Service to define its core service more rigorously. What comparative advantages does the publicly owned Postal Service (versus other providers) bring to the mailing industry? What services should be left to the marketplace and to private competitors, and what services should be provided by the national postal system?

- How should the nation structure a future postal system to be as productive and efficient as possible and while ensuring that consumers pay only what they wish to pay for as much service as they can afford?

The design of the operations of the future postal network has many variables. Often improvement in productivity and efficiency through cost-cutting can come at a cost to improved service. Which values are most important? Should maintenance of affordable pricing be more important than improving service? Or the reverse? What level of productivity and efficiency will guarantee that the cost of postal services is low but that service remains high? Should there be more rigorous automation standards as there are in other countries? What should the characteristics of the future postal operations network be?

- Can the Postal Service continue to provide universal service under the current financial arrangements if volume slows or declines significantly? Are there other financing mechanisms needed?

The critical threat to the current economic model is thought by many

observers to be connected to volume decline. How should the Postal Service seek to finance its operations in the event that volume does decline? Should the future Postal Service seek support through the appropriation of tax revenues? Should the universal services be narrowed? Are there other financing mechanisms that should be explored even without potential volume declines? Should the Postal Service be granted more freedom in financing investments?

- What steps should be taken today to anticipate the human capital requirements of the future postal system in a manner that embodies core values of respect, dignity, and diversity while providing incentives to encourage continuous service improvement?

How should the balance be struck between individual values and improving the efficiency of the postal system? Is there a trade-off today? What investments should be made in attracting, training, managing, and providing incentives to people to build the future postal system? Should incentives be tied to performance? Is the collective bargaining process, as it is structured today, going to serve the needs of the future Postal Service? Should salary caps be removed? Where should the priorities be?

- Is it possible to design a government postal system in the United States that operates more commercially and still serves important social objectives including universal coverage?

How might the Postal Service offer competitive products? If the private sector is offering similar services, should the publicly owned Postal Service enter markets where it would compete with the private providers? There are both advantages and disadvantages for a public agency offering services in competitive markets. Is the playing field uneven in favor of the public- or private-sector service provider?

- How would a privately owned postal entity or entities perform against public expectations for postal services? Are there other models that may do a better job for the American people?

A number of key postal policy voices in recent years have called for the privatization of the Postal Service. Is this desirable? Would a corporatized Postal Service be able to be more productive? To provide better service? To grow the mailing business for the postal industry? Or are there other models of fundamental structural reform that should be considered? Should the postal system be franchised out to private-sector providers? Should fundamental structural reform retain the

continuity of the infrastructure that exists today?

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 01-25278 Filed 10-3-01; 2:29 pm]

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RAILROAD RETIREMENT BOARD

Agency Forms Submitted for OMB Review

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Railroad Retirement Board (RRB) has submitted the following proposal(s) for the collection of information to the Office of Management and Budget for review and approval.

Summary of Proposal

(1) *Collection title:* Report of Medicaid State Office on Beneficiary's Buy-In Status.

(2) *Form(s) submitted:* RL-380-F.

(3) *OMB Number:* 3220-0185.

(4) *Expiration date of current OMB clearance:* 12/31/2001.

(5) *Type of request:* Extension of a currently approved collection.

(6) *Respondents:* State, Local or Tribal government.

(7) *Estimated annual number of respondents:* 600.

(8) *Total annual responses:* 600.

(9) *Total annual reporting hours:* 100.

(10) *Collection description:* Under the Railroad Retirement Act, the Railroad Retirement Board administers the Medicare program for persons covered by the railroad retirement system. The collection obtains the information needed to determine if certain railroad beneficiaries are entitled to receive Supplementary Medical Insurance program coverage under a state buy-in agreement in states in which they reside.

FOR FURTHER INFORMATION CONTACT:

Copies of the forms and supporting documents can be obtained from Chuck Mierzwa, the agency clearance officer (312-751-3363). Comments regarding the information collection should be addressed to Ronald J. Hodapp, Railroad Retirement Board, 844 North Rush Street, Chicago, Illinois, 60611-2092 and to the OMB Desk Officer for the RRB, at the Office of Management and Budget, Room 10230, New Executive Office Building, Washington, DC 20503.

Chuck Mierzwa,

Clearance Officer.

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