

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

ANNUAL COMPLIANCE REPORT, 2010

Docket No. ACR2010

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
QUESTION 27 OF CHAIRMAN'S INFORMATION REQUEST NO. 4
(March 7, 2011)

The Postal Service hereby files its response to question 27 of Chairman's Information Request No. 4, issued on February 18, 2011. Each question is stated verbatim, and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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March 7, 2011

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 4**

27. Please provide:

- a. the number of post office emergency suspensions in effect at the beginning of the reported fiscal year and the duration of each suspension (39 CFR 3055.91(a)(4));
- b. the number of post office emergency suspensions during FY 2010 (39 CFR 3055.91(a)(5));
- c. the status of each suspension in the Postal Service's decision-making process to either close or reopen; and
- d. the number of post office emergency suspensions in effect at the end of FY 2010 (39 CFR 3055.91(a)(6)).

RESPONSE:¹

The Postal Service is providing the Commission with a list of retail facilities whose operations are suspended. The list (filed under seal in folder FY10-NP34) identifies offices by name, town and state. Despite significant effort, this list may still contain errors. The Postal Service is presently working to change its Post Office suspension procedures and to improve the quality of its data concerning suspended post offices.

Given the problems with data quality, changes to the discontinuance process, and the strong potential for public confusion, this list should be kept confidential for the time being. Any facility on the list will draw the immediate attention of customers who may confuse the suspended retail facility with the Post Office they use regularly and fear, incorrectly, that the list foretells its discontinuance. This type of confusion is precisely what happened in PRC Docket No. N2009-1, where the Postal Service was obliged to provide a list of the 3200 stations and branches under consideration pursuant to the Headquarters directed process used for that effort. The results, especially when well under 200 offices ultimately faced discontinuance, caused unnecessary concern and confusion for postal customers and their communities, and were harmful from public

¹ This response also presents material responsive to Chairman's Information Request No. 5, question 13.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 4**

relations and customer goodwill perspectives. A great deal of customer concern (and the concern of those contacted by customers) could have been avoided had the Postal Service been able to start that process knowing how few offices would actually be discontinued, and which ones they would be. The untoward consequences flowed despite the fact that customers often have personal knowledge with local postal facilities and plans for their operational status.

In addition, the need for confidentiality of the instant list is likely to be brief. Redesign of facility discontinuance procedures will entail the normal exercise of rulemaking authority (*Federal Register* notices); it is also expected to generate a request pursuant to section 3661 for an advisory opinion in the near future. This latter request would be accompanied by a thorough explanation of the approach the Postal Service will take in reviewing whether to officially close suspended offices, to reopen or to replace them with some form of expanded access. This proceeding will also include a public list of facilities, including suspended ones, whose discontinuance is being proposed under the new procedures. Of course, any facility formally proposed for discontinuance also becomes a matter of public knowledge amongst its customers. All suspended retail facilities that undergo the discontinuance process will be the object of local attention very soon thereafter. While many will likely undergo formal discontinuance proposals, some also may be reopened. When those proposals (or renewed operational status) become a matter of local news is where and when the Postal Service welcomes public input.

A related reason for maintaining the confidentiality of the list of suspended offices (referenced briefly above) can be found in the experience with *Station and Branch*

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 4**

Optimization and Consolidation Initiative, 2009, which became PRC Docket No. N2009-

1. In that proceeding, the Postal Service applied a new method for improving the efficiency by which it provides retail services through brick and mortar facilities. Because it could not know which facilities would eventually be discontinued, but understanding its obligation to seek an advisory opinion from the Postal Regulatory Commission pursuant to section 3661 of title 39, the Postal Service shared early in that proceeding a list of the approximately 3200 facilities that comprised the initial reach, *i.e.*, those that would be examined to determine where discontinuance was appropriate—those stations and branches which reported to level EAS-24 and larger Post Offices. Public interest was heightened when customers and the press together assumed this meant the Postal Service was planning to close all 3200 offices despite postal assurances to the contrary.

While the Postal Service is providing a list of suspended offices, one that has taken extensive resources to assemble, and made it as accurate as currently possible, that does not mean it now plans to discontinue all of those offices. Each discontinuance that is pursued will become a matter of public record when, and if, an actual discontinuance proposal is made public. That is when public involvement becomes necessary and useful, not beforehand.

Question 27 also seeks information about the duration of respective suspensions. The more the Postal Service has examined duration, the less confident it has become about the accuracy of its information; the older an ostensible suspension date is, data regarding that facility are more likely to be inaccurate. The Postal Service is accordingly limiting data elements provided for each facility to name, city and state.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 4**

With these caveats, the responses to the parts of question 27 follow below.

(Please note that the data are also responsive to ChIR5, Question 13.) :

a. [*Count of suspended offices at start of FY2010*] Based on Postal Service records, 184 Post Office emergency suspensions were in effect at the beginning of fiscal year 2010. Operations in an additional 130 stations and branches were also suspended at that time.

b. [*Count of offices whose operations were suspended during FY2010*] Operations in 45 Post Offices were suspended during fiscal year 2010. Operations in seven additional stations and branches were suspended during 2010.

c. [*Current status*] With the possible exceptions of offices that may have been reopened, and those already undergoing or having completed discontinuance studies initiated locally, no other information on the status of these offices is available. In all likelihood, they remain suspended. A new wave of activity awaits finalization of the new discontinuance processes.

d. [*Count of offices whose operations are suspended at the end of FY2010*] These counts are based on the sum of the responses to parts (a) and (b).

Post Offices: 229

Stations and branches: 137

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

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