

## CONCURRING OPINION OF CHAIRMAN GOLDWAY

The law requires the Postal Service to provide appropriate levels of postal service to all parts of the nation. Unlike other retailers, which have narrower, profit-driven objectives, and may use well-developed methods for reconfiguring their retail network in light of changing circumstances, the Postal Service faces a more complex task.

The Postal Service's revenue from retail operations is much smaller than revenues from business mailers. As a result, the amount and distribution of retail revenue is an unsatisfactory driver for decision-making regarding post offices. Under the law, the Postal Service is not permitted, as are other retailers, to pick and choose its geographic markets or customer segments.

I commend the Postal Service for developing a plan that accommodates many of the concerns described by the Commission in its previous Advisory Opinion on proposed changes to the Postal Service's retail network (RAOI), as well as some of the concerns identified by legislators and the public.

While I agree with my colleagues on the findings and recommendations in this Advisory Opinion, I have several remaining concerns with the POSTPlan proposal, which the Postal Service is currently implementing before receiving the Commission's advice, and I continue to have general concerns regarding the Postal Service's efforts to reduce its retail network.

First, the Postal Service has not provided a quantitative basis for the 25 mile distance criteria used to designate Part Time Post Offices (PTPOs). In the record, the Postal Service cited as reasons for the 25 mile standard: management's determination

of operational needs, customer impact and consultations with Postmaster associations.<sup>1</sup> No analysis that correlates with the special needs of remote areas was presented as part of the record. The Postal Service should identify measurements and develop a more robust quantitative basis for the criteria to designate PTPOs so that the standard may be adjusted to better meet community needs of remote areas in the coming years.

Second, as my colleagues have noted, there is a discrepancy between the Postal Service's testimony on the role of Village Post Offices (VPOs) and the draft written instructions concerning interpretation of the community surveys. VPOs differ from post offices and contract postal units in that they provide only a very limited subset of postal services. The Postal Service witness in this docket stated that VPOs are not intended to substitute for post offices, that they are to be viewed as enhancements and supplements to, rather than replacements for, POStPlan offices.<sup>2</sup> However, the current draft written instructions specify that survey respondents expressing a preference for a VPO should be considered as expressing a preference for having their post office discontinued. This discrepancy is troubling. The Postal Service should take steps to ensure that those taking community surveys are aware of the actual outcome that will result from their response, and should adhere to its stated policy treating VPOs as a supplemental to POStPlan offices rather than a replacement service.

Third, my colleagues and I previously highlighted in the RAOI advisory opinion, the value of the internet for informing communities on the status of facilities undergoing review for discontinuance, and recommended providing information concerning comment deadlines and public meetings. This recommendation, which the Postal Service has not yet responded to, much less adopted, has become even more crucial.

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<sup>1</sup> Tr. 1/93 ("The 25 mile threshold is based on management's determination of operational needs, customer impact and consultations with Postmaster associations.") See *also* USPS Response to POIR No. 1, question 8.

<sup>2</sup> See Tr. 1/265, 292-93

This is not to say that the internet should be the sole source of information for the public. Alternative ways of reaching people where they are, such as posting information on post office doors, at postal counters and mailing local residents (both households and post office boxes), are tried and true and should remain as standard practice. But a large portion of the population also uses the internet and information published online tends to be readily shared and disseminated. The Postal Service has indicated that it seeks to integrate the hard copy mail system with customers' use of the internet and digital communications. It seems obvious to me that the Postal Service should provide supplemental public notice via the internet to provide enhanced transparency by better informing customers.

Fourth, I am concerned about the current ability of the Postal Service to secure staff for post offices that are open fewer than 8 hours each day. There is a sizable risk that the Postal Service will encounter difficulties recruiting qualified employees for these positions in many communities, and the consequences of not finding those employees is that service to the community would be impaired or eliminated. The Postal Service should place a priority on recruiting qualified employees for its offices in the POSTPlan.

Moreover, there have already been news media reports of emergency suspensions of post offices stemming from an inability to hire employees. Emergency suspensions should be limited to true emergencies and should not be applied wholesale as a means of responding to systemic staffing deficiencies. The discontinuance of multiple post offices resulting from emergency suspensions predicated on the inability to find staff would be, in my opinion, a failure of the POSTPlan—if not an outright attempt to increase the number of post offices closures.

Finally, news reports indicate there are post offices, not identified as part of the POSTPlan, whose retail hours are also being reduced. It appears that the customer-friendly mechanisms by which the Postal Service will address most customer concerns in the POSTPlan are not being applied in non-POSTPlan service reduction decisions. I

believe the Postal Service should apply no less than the same procedures outlined in the POSTPlan to other offices being considered for service hours' reduction. Further, the Postal Service should be consistent in using the selection criteria identified in POSTPlan for selecting additional offices for service hours' reduction.

In summary, without more information from the Postal Service and transparent reporting of its actions with regard to all post office hours of service reductions and closing decisions, I am concerned that, in addition to reducing the hours of approximately 13,000 post offices, the Postal Service will either close and/or reduce the hours of hundreds more.

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Ruth Y. Goldway, Chairman