

Postal Regulatory Commission
Office of the Chairman

DEC 07 2011



December 6, 2011

Honorable Ruth Y. Goldway
Chairman
Postal Regulatory Commission
901 New York Ave., NW, Suite 200
Washington, DC 20268-0001

Dear Chairman Goldway:

Your letter dated November 23, addressed to Postmaster General Donahoe was forwarded to my office for reply. In that letter, you state that you are concerned that the Summary of Postal Service Retail Facility Change Regulations included in notices of a discontinuance study sent to affected postal customers significantly overstates the Postal Regulatory Commission's role in reviewing post office closings pursuant to 39 U.S.C. § 404(d)(5). Your letter accordingly asks that the Postal Service amend its notices to postal customers to include changes to the manner in which the Postal Service describes the Commission's responsibilities.

As an initial matter, section 404(d)(5) of Title 39 states that a "determination of the Postal Service to close or consolidate any post office may be appealed by any person served by such office to the Postal Regulatory Commission within 30 days after such determination is made available to such person." The section goes on to state that "[t]he Commission may affirm the determination of the Postal Service or order that the entire matter be returned for further consideration, but the Commission may not modify the determination of the Postal Service." The current Summary of Postal Service Retail Facility Change Regulations is consistent with the statute.

Nevertheless, the Postal Service concurs with your suggestion that the language could more clearly describe the Commission's role, so as to manage the public's expectations in the event of an appeal. Accordingly, the Postal Service will revise the paragraph requested in your letter to state that "... customers may appeal a final determination to the Postal Regulatory Commission in Washington, DC. The Postal Regulatory Commission may either affirm the Postal Service's determination to discontinue a Post Office or remand the matter to the Postal Service for further consideration." Consistent with this change, the Postal Service also will revise the final flow chart box to state that "[t]he Postal Regulatory Commission may either affirm a final determination to discontinue a Post Office or remand it for further consideration within 120 days of the appeal being filed."

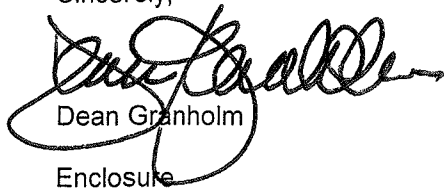
Your letter also asks that the Postal Service add a new directional arrow to the flow chart indicating what happens in the event of a remand. The Postal Service is cognizant of the need to provide postal customers with an understanding of the remand process. Because of the complexity and variability as to what occurs when a Post Office discontinuance appeal is remanded, the inclusion of a new directional arrow in the flow chart would be difficult to describe. The basis for a remand by the Commission could result in numerous possibilities as to how the Postal Service will proceed, including the Postal Service undertaking procedural changes and reposting of the public notice of a final determination, restarting the entire discontinuance feasibility study, or deciding not to close the affected Post Office. This variability makes it difficult to add one directional arrow to the flow chart.

However, we plan to add a sentence to the final paragraph of the Summary as follows: "[i]f a final determination is remanded by the Postal Regulatory Commission, the Postal Service may choose to repost the final determination or proposal with additional support, restart the discontinuance feasibility study, or suspend the discontinuance process."

Enclosed please find an amended Summary of Postal Service Retail Facility Change Regulations incorporating your suggestions. The changes are underlined for your convenience.

We hope this addresses your concerns. As always, thank you for bringing these important matters to our attention. Please feel free to contact me at (202) 268-6500 should further information or assistance be helpful.

Sincerely,



Dean Granholm

Enclosure

Summary of Postal Service Retail Facility Change Regulations

The Postal Service has published regulations governing the discontinuance of Postal Service-operated retail facilities. These regulations are designed to ensure that the reasons for proposing such changes in the provision of postal services are fully disclosed at a stage when customers can make helpful contributions toward a final determination. The full text of the applicable statutory requirements for Post Offices appears in Title 39, United States Code, Section 404(d), while the regulations for Postal Service-operated retail facilities appear in Title 39, Code of Federal Regulations, Part 241.3.

Under postal regulations, Postal Service Headquarters or field personnel initiate an initial feasibility study to examine the continuation of a Post Office, Classified Station, or Classified Branch. After conducting the feasibility study, if warranted, the Postal Service may decide to proceed with a proposal to discontinue the facility. The proposal must explain the services recommended as substitutes and the rationale that supports this recommendation. The written proposal is prominently posted for 60 days at affected retail facilities, along with an "Invitation for Comments," which solicits written feedback from customers. At the end of the 60-day comment period, additional review is made at lower and upper levels of postal management.

After consideration of customer comments, if warranted, the Postal Service may decide to proceed with a final determination to discontinue the retail facility under study. Any such final determination is posted in affected retail facilities for 30 days. For discontinuance actions associated with Post Offices, customers may appeal the final determination to the Postal Regulatory Commission in Washington, DC. The Postal Regulatory Commission may either affirm the Postal Service's determination to discontinue a Post Office or remand the matter to the Postal Service for further consideration. If a final determination is remanded by the Postal Regulatory Commission, the Postal Service may choose to repost the final determination or proposal with additional support, restart the discontinuance feasibility study, or suspend the discontinuance process. The Postal Regulatory Commission has up to 120 days to consider and decide an appeal. Even without an appeal, no Postal Service-operated retail facility may be closed sooner than 60 days after the first day of the posting of the final determination.

