

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268B0001

RETAIL ACCESS OPTIMIZATION INITIATIVE,
2011

Docket No. N2011-1

**NOTICE OF UNITED STATES POSTAL SERVICE
OF FILING OF INITIAL LIBRARY REFERENCES
AND APPLICATION FOR NON-PUBLIC TREATMENT OF MATERIALS**
(July 27, 2011)

In accordance with Rule 31(b)(2), the United States Postal Service hereby provides notice that today it is filing the following five library references as an aid to the Commission in connection with its responsibilities within and beyond the scope of this docket.

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|---------------------|---|
| USPS-LR-N2011-1/1 | United States Postal Service Handbook PO-101
(July 2011) |
| USPS-LR-N2011-1/2 | Retail Access Optimization Initiative Discontinuance
Candidate Facility List |
| USPS-LR-N2011-1/3 | List of Retail Facilities Undergoing Discontinuance Review
Outside the Scope of the RAO Initiative |
| USPS-LR-N2011-1/NP1 | Nonpublic Material Related to Postal Location "Nearest-
Neighbor" Calculation and Results |
| USPS-LR-N2011-1/NP2 | Nonpublic Material Related to Revenue Distribution and
Single Stamp Sale Analyses |

USPS Library Reference N2011-1/3 is filed under Category 6. The remaining four library references filed today are Category 2 witness foundational materials.

For the reasons explained below, the Postal Service applies for non-public treatment of two of these witness foundational library references: N2011-1/NP-1 and

N2009-1/NP2, in accordance with 39 C.F.R. § 3007.21 and Order No. 225. These two library references include sensitive commercial information, to include facility-specific walk-in revenue related to operations at thousands of postal retail installations throughout the United States, as well as disaggregated walk-in revenue for selected locations.

(1) The rationale for claiming that the materials are non-public, including the specific statutory basis for the claim, and a statement justifying application of the provision(s);

The materials designated as non-public consist of information of a commercial nature that under good business practice would not be publicly disclosed. In the Postal Service's view, this information would be exempt from mandatory disclosure pursuant to 39 U.S.C. § 410(c)(2) and 5 U.S.C. § 552(b)(3). Because portions of the materials that the Postal Service filed under seal in this docket fall within the scope of information not required to be publicly disclosed, the Postal Service asks the Commission to support its determination that these materials qualify as exempt from public disclosure and grant its application for their non-public treatment.

(2) Identification, including name, phone number, and email address for any third party who is known to have a proprietary interest in the materials, or if such an identification is sensitive, contact information for a Postal Service employee who shall provide notice to that third party;

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(3) A description of the materials claimed to be non-public in a manner that, without revealing the materials at issue, would allow a person to thoroughly

evaluate the basis for the claim that they are non-public;

The non-public material contains commercial information of the Postal Service, such as facility-specific walk-in-revenue at thousands of facilities throughout the country, as well as disaggregated walk-in revenue for selected locations. The Postal Service maintains that the non-public portions of these materials should remain confidential.

(4) Particular identification of the nature and extent of commercial harm alleged and the likelihood of such harm;

If the information that the Postal Service seeks to protect from disclosure due to its confidential nature were disclosed publicly, the Postal Service considers it quite likely that it would suffer harm. Revealing Postal Service facility-specific walk-in-revenue as well as disaggregated walk-in revenue would enable competing companies to use the information to assess market potential for establishment of competing mail and parcel stores. The Postal Service considers it highly probable that, if this information were made public, local competitors would take advantage of it.

(5) At least one specific hypothetical, illustrative example of each alleged harm;

Harm: Revealing facility-specific financial information or information concerning disaggregated walk-in revenue for selected locations would enable competitors to target the location for sales and marketing purposes.

Hypothetical: Facility-specific financial information or disaggregated walk-in revenue concerning a particular location is revealed to the public. A nearby private commercial mail receiving agency reviews the information, and determines that a discontinuance will affect enough potential customers at the postal location to justify an advertising campaign targeted at existing Postal Service customers. The private company directs

advertising for its mailbox and shipping services to existing Postal Service customers, thereby causing the Postal Service to lose business to the competitor.

(6) The extent of protection from public disclosure deemed to be necessary;

The Postal Service maintains that facility-specific walk-in-revenue information and information concerning disaggregated walk-in revenue for selected locations should be withheld from any person who has not agreed to the Commission's standard confidentiality requirements, including any person involved in competitive decision-making for any entity that might gain competitive advantage from use of this information.

(7) The length of time deemed necessary for the non-public materials to be protected from public disclosure with justification thereof; and

The Commission's regulations provide that non-public materials shall lose non-public status ten years after the date of filing with the Commission, unless the Commission or its authorized representative enters an order extending the duration of that status. 39 C.F.R. § 3007.30.

(8) Any other factors or reasons relevant to support the application.

The Postal Service considers this Application sufficient to fulfill the Postal Service's obligations to justify its determination that the information concerning facility-specific walk-in revenue should be treated as non-public, and therefore redacted in the public version of this filing.

Conclusion

For the reasons discussed, the Postal Service requests that the Commission grant this application for non-public treatment of the identified materials.

Respectfully submitted,

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