

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

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Station and Branch)
Optimization and)
Consolidation Initiative, 2009)
)

Docket No. N2009-1

PUBLIC REPRESENTATIVE
SECOND SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF
DOCUMENTS TO UNITED STATES POSTAL SERVICE (PR/USPS-7-21)

(July 31, 2009)

Pursuant to Rules 25 through 28 of the Postal Regulatory Commission Rules of Practice, the Public Representative hereby submits the following interrogatories and requests for production of documents. Definitions and instructions included with the Public Representative's interrogatories PR/USPS-1-6 dated July 10, 2009, are hereby incorporated by reference.

Respectfully Submitted,

/s/ Robert Sidman

Robert Sidman
Public Representative for
Docket No. N2009-1

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PR/USPS-7

Please describe the search methodology used (including, but not limited to, Boolean searches of computer files and e-mails, file locations, and discussions with Postal Service employees) by the Postal Service to identify and locate documents responsive to the following interrogatories:

- a. PR/USPS-T1-7(a) and (b)
- b. PR/USPS-1
- c. PR/USPS-4
- d. PR/USPS-6

PR/USPS-8

Please refer to your response to PR/USPS-1(a) and the results of the search methodology described in response to PR/USPS-7. Please confirm that other than the Postal Service's Request, the Testimony filed in this case, and the briefing filed in response to PR/USPS-4(a), there are no documents that detail the potential full scope of the Initiative. If you do not confirm, please explain. If such documents do exist, please provide copies of them.

PR/USPS-9

Please refer to your responses to PR/USPS-3(c)-(e). Please also refer to Library Reference USPS-LR-N2009-1.

- a. Please provide an estimate of the total cost savings and revenue loss from the closure the branches and stations listed in Library Reference USPS-LR-N2009-1.
- b. Please provide an estimate of the total cost savings and revenue loss from the closure the "less than 1000 branches and stations" estimated to be identified for a full discontinuance study in the response to PR/USPS-T2-9.

PR/USPS-10

Please refer to your response to PR/USPS-4 and the results of the search methodology described in response to PR/USPS-7. Please confirm that other than the Postal Service's Request, the Testimony filed in this case, and the briefing identified in response to PR/USPS-4(a), there are no documents that detail the centrally directed

program discussed on page 6 of the Request. If you do not confirm, please explain. If such documents do exist, please provide copies of them.

PR/USPS-11

Please refer to your response to PR/USPS-4(c) and the results of the search methodology described in response to PR/USPS-7. Please confirm that other than the briefing filed in response to PR/USPS-4(a), there are no documents that the Postal Service has transmitted or will be transmitted to the District offices with respect to this Initiative. If you do not confirm, please explain. If such documents do exist, please provide copies of them.

PR/USPS-12

Please refer to your response to PR/USPS-5.

- a. Please provide a copy of the Postal Service's June 19, 2008 PAEA Section 302 Network Plan.
- b. Please provide copies of all documents related to closing or consolidations of stations and branches and their relationship to PAEA section 302(d).

PR/USPS-13

Please refer the results of the search methodology described in response to PR/USPS-7 and your objection to PR/USPS-4(c) filed on July 20, 2009. In particular, the objection states that the "Postal Service intends to respond to this and other subparts of interrogatory PR/USPS-4 by providing documents reflecting instructions and guidance disseminated by Headquarters to the field for purposes of conducting station and branch studies generally, as well as specific instructions developed for purposes of the Station & Branch Optimization and Consolidation Initiative." Please provide or identify the location of the "documents reflecting [the specific] instructions and guidance disseminated by Headquarters to the field ... for purposes of the Initiative. The Postal Service need not provide the instructions and guidance disseminated by Headquarters for conducting station and branch studies generally; only the instructions and guidance created for purposes of the "prescreening process" portion of the Initiative.

PR/USPS-14

With respect to instructions and guidance disseminated by Headquarters about the Initiative, please identify, describe and provide all documents (including e-mails)

detailing questions or requests for clarification from managers at any level at the Postal Service and any responses or clarifications issued by Headquarters to those questions or clarifications.

PR/USPS-15

Please refer to your response to PR/USPS-T2-11.

- a. Please confirm that your responses to subparts (a)(1) through (a)(5) of PR/USPS-T2-11 are “yes.” If you do not confirm, please list the factors of subparts (a)(1) through (a)(5) that the Postal Service does not consider when examining stations or branches for discontinuance.
- b. Please confirm that the Postal Service does not always provide at least 60 days notice prior to closing or consolidating a branch or station. If you do not confirm, please explain.
- c. Please confirm that the Postal Service does not always provide persons with notice that a Postal Service final determination to close or consolidate a branch or station may be appealed to the Postal Regulatory Commission. If you do not confirm, please explain.
- d. Please confirm that your response to subpart (d) of PR/USPS-T2-11 is “yes.” If you do not confirm, please describe the circumstances where the Postal Service would not provide its determination to close or consolidate a branch or station in writing.

PR/USPS-16

- a. Please confirm that in determining whether to close or consolidate a particular station or branch as a result of the Initiative, the Postal Service might consider the ability of a mail user to utilize a nearby community post office, contract postal unit, Automated Postal Center, or consignment arrangement for their postal needs instead of the branch or station that is being considered for closure or consolidation? If you do not confirm, please explain.
- b. Please refer to the Request at pages 4-5. Please confirm that one of the reasons that the Postal Service believes the Initiative is appropriate is because alternative retail access channels such as community post offices, Automated Postal Centers, or consignment arrangements are

- becoming more widely used. See Request at 4; see *a/so* Response to PR/USPS-T1-7(c). If you do not confirm, please explain.
- c. Please describe the procedures used when the Postal Service seeks to close or consolidate a community post office or contract postal unit. Please provide copies of any documents detailing such procedures.
 - d. Please describe the procedures used when the Postal Service seeks to close or consolidate an Automated Postal Center. Please provide copies of any documents detailing such procedures.
 - e. Please describe the procedures used when the Postal Service seeks to close or consolidate a consignment arrangement. Please provide copies of any documents detailing such procedures.
 - f. Please describe the procedures used when the Postal Service seeks to close, consolidate, or alter the retail services available at each other type of “alternative retail access channel.” Please provide copies of any documents detailing such procedures.
 - g. Does the Postal Service factor the availability of all “alternative retail channels” and the likelihood that customers will use those channels in its decision making process during the prescreening process or as part of a particular discontinuance study? If so, please describe how.

PR/USPS-17

Please refer to your response to PR/USPS-T1-7(a-b), (b).

- a. Please confirm that that Postal Service does not have any guidance documents, briefings, directives, instructions or other documents that discuss how the Postal Service determines whether a particular closure or consolidation of a branch or station will ensure that there is “ready access to essential postal services” and “ready access to adequate service.” If you do not confirm, please explain. If such documents do exist, please provide copies of such documents.
- b. Please explain how the “District team applies its expert judgment to the facts on the ground in each case.” Please provide copies of any documents that discuss how the District team applies its expert judgment to the facts on the ground in each case.

PR/USPS-18

Please refer to your response to PR/USPS-3(c). Please provide the Postal Service's best estimate of the range of cost savings and revenue loss that it expects to occur as a result of the closure or consolidation of the branches and stations subject to the Initiative.

PR/USPS-19

Please refer to USPS-LR-N2009-1/3, filed in response to PR/USPS-4.

- a. According to the August 2004 transmittal letter, paragraph D, new or revised policies will be issued through Postal Bulletin articles. Please confirm that this is the most updated copy of the Post Office Discontinuance Guide and no relevant revisions have been issued in the Postal Bulletin. If you do not confirm, please provide copies of those revisions.
- b. Please confirm that out of the 228 page Handbook, only pages 55-56 and 210-212 are applicable to closing or consolidating branches or stations and the remainder of the Handbook applies to "independent post offices." If you do not confirm, please explain.
- c. Please refer to page 55 of the Handbook where it discusses the responsibilities of the District Manger. Please confirm that the handbook only requires the District Manger to comply with the following procedures for the discontinuance of stations or branches:
 1. Clearly define the reasons and justification for the discontinuance
 2. Evaluate and address the effect on employees and customers
 3. Develop a questionnaire and send it to customers for additional information and comments or conduct a community meeting
 4. Complete the checklist on pages 210-212 of the Handbook.
- d. Are any factors, criteria, training, or other guidance provided to District managers on how to evaluate any of the factors listed in subparts (c)(1) through (c)(4) of this interrogatory? If so, please explain the information disseminated to the district managers. Please also provide copies of these documents or materials.

PR/USPS-20

Please refer to your objection to DBP/USPS-6 where you state that the "Postal Service concedes that some retail stations and branches subject to the Station and Branch Optimization and Consolidation Initiative may have Bulk Mail Entry Unit (BMEU) operations, and that a decision to consolidate stations or branches may result in

elimination or relocation of BMEU function.” Is the effect on BMEU operations one of the factors or elements that the Postal Service considers during either (a) the prescreening process of the Initiative or (b) a discontinuance study process when deciding whether to close or consolidate a particular branch or station? Please explain.

PR/USPS-21

Please refer to the Postal Service’s Request at page 1 where it states that the objective of the Postal Service Station and Branch Optimization and Consolidation Initiative “is to identify and take advantage of opportunities for increased efficiency . . .” At page 6 of the Request, the Postal Service further describes the objective of the “optimization and consolidation” Initiative in the following terms: “to realign the postal retail network with current and future postal customer service needs, to reduce inefficiency and redundancy, and to capture the resulting cost savings.”

- a. Please define the term “efficiency,” as used on page 1, and identify the quantitative measures to be used by the Postal Service to determine whether the Initiative achieves “increased efficiency.”
- b. Please confirm that the Postal Service is assuming “increased efficiency” will flow from the consolidation or discontinuance of retail postal services that results from this Initiative. If confirmed, please explain the basis for, and provide any data that supports, this assumption.
- c. Please define the term “cost savings,” as used at page 6, and list in detail the sources of the “resulting cost savings” associated with realigning the postal retail network.
- d. Please confirm that the Postal Service intends to determine the “resulting net cost savings” (i.e., cost savings less revenue lost) associated with realigning the postal retail network. If not confirmed, please explain.
- e. Please confirm that as part of the Initiative, the Postal Service will estimate “the resulting cost savings” (or net cost savings) associated with realigning the postal retail network for each postal station and branch at the time 1) a decision package for each station and branch is submitted by the District Manager to Headquarters, or 2) a final agency discontinuance decision for each station and branch is made by the Vice President, Delivery and Post Office Operations. If not confirmed, please explain when and how the Postal Service intends to review and report on the “resulting cost savings” in total and for each station and branch being closed or consolidated.