

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

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

Docket No. N2009-1

**MOTION OF AMERICAN POSTAL WORKERS UNION, AFL-CIO, TO
DIRECT POSTAL SERVICE TO PROVIDE DOCUMENTS
(October 2, 2009)**

At the September 30, 2009 hearing on the Postal Service's direct case in this docket, Counsel for American Postal Workers Union, AFL-CIO (APWU) requested that the Postal Service provide certain documents, descriptions and/or templates used by the Postal Service to determine the underlying information contained in the 12 factors identified in USPS Witness Matalik's testimony that make up the Postal Service's examination of a postal facility's business activity.¹ At that time, Chairman Goldway took the request under advisement and requested that APWU submit this request in writing. This Motion is filed in response to Chairman Goldway's request.

Postal Service witness Matalik's written testimony states that the station and branch discontinuance review process begins with

review of the facility's business activity. This includes examination of:

- (a) mail volume trends,
- (b) retail transaction trends,
- (c) proximity to other retail service facilities,
- (d) space requirements and capabilities
- (e) customer wait-time in line and retail window service capacity,
- (f) impacts on employees at the facility under study,
- (g) customer concerns as expressed in response to questionnaires or in a community meeting,

¹ Direct Testimony of Witness Kimberly Matalik (USPS-T-2), at page 4, lines 9-34, revised September 16, 2009.

- (h) cost savings that could result from closure or consolidation,
- (i) alternate retail window and delivery service option,
- (j) the ability of nearby postal facilities to handle retail service and mail processing workload that may shift to their locations,
- (k) the ability of the community served by the facility to access nearby postal facilities or alternate access channels; and
- (l) other factors as may be deemed appropriate.²

This information is used by District Management “to determine if a discontinuance proposal ensures that customers continue to have ready access to essential postal services.”³ Presumably, this determination is required to ensure that the Postal Service complies with Section 403(b)(3) requiring to Postal Service to “establish and maintain postal facilities of such character and in such locations, that postal patrons throughout the Nation, will, consistent with reasonable economies of postal operations, have ready access to essential postal services.” Although 403(b)(3) is but one of many requirements imposed on the Postal Service by Title 39, ensuring the SBOC Initiative complies with it will undoubtedly be a topic of the Commission’s Advisory Opinion.

As part of that examination, the Commission clearly must examine the factors the Postal Service utilizes in its analysis of Section 403(b)(3) compliance. Specifically, this will include a determination of whether the list of factors provided by Witness Matalik is exhaustive of the factors to be evaluated, or whether other factors should also be considered. But examination of the factors, at face value, alone cannot satisfy the requirements of Title 39. The Commission’s analysis should also examine the validity and soundness of the values given to each factor. This necessarily requires an examination of *how* the values were determined.

Thus far in this docket, parties have examined and called to question through discovery the quality of the cost savings data used (factor h), alternate retail window and service delivery options (factor i), how customer concerns are gathered (factor g) and how other factors are considered (factor l). The Postal Service has provided some documents

² Id.

³ Id. at page 5, lines 9-11.

used by Postal management to conduct this study (See USPS Response APWU/USPS-DR-1, September 29, 2009). But it was made clear at the hearing in this case that other documents are used by the Postal management to calculate many of the other factors described by Witness Matalik.

For example, during oral cross examination of Postal Witness Matalik (USPS-T-2) it was acknowledged that the customer wait-time in line (factor e) was determined by mystery shopper data and/or customer service measurements. It was further acknowledged that there are documents that govern the mystery shopper program. Certainly how the data is collected and analyzed in order to produce a wait-time in line, is just as critical as the final wait-time in line total that is used as a factor in this analysis. Suppose the mystery shopper program required only one visit to a facility during a one-month timeframe. This would mean that the wait-time in line set by that program would simply be the time that particular mystery shopper stood in line on that particular day. This is hardly a statistically significant measurement. Of course, if the mystery shopper went to the same facility many times, over many different days and at different times, the statistical validity of the wait-time measurement would be more robust. In the instant case, there is nothing in the record so far that lets participants or the Commission evaluate the veracity of the wait-time in line data. This is particularly troubling given the fact that each factor is given equal weight in discontinuance study.

Certainly other factors, including but not limited to mail volume trends (factor a), retail transaction trends (factor b), space requirements and capabilities (factor d), and the ability of nearby postal facilities to handle retail service and mail processing workload that may shift to their locations (factor j), are calculated through reliance on documents, templates, handbooks and other instructions. Because the statistical significance of the data relied on to determine the value of the various factors is of critical importance, the Postal Service should be required to produce all documents relied on by Postal management to make these valuations. If the factors relied on are based on data that is statistically insignificant, this will certainly impact whether the Postal Service made a true assessment of whether postal patrons will maintain "ready access to essential postal services" if a facility is discontinued. This is not to say that the Commission should rewrite any programs that result in statistically insignificant data results, but the

Commission could advise that in the weighing process conducted by the Postal Service, factors based on unreliable or questionable data be given less consideration.

The Postal Service's proposed initiative will likely impact postal patrons all across the country. The Commission's Advisory Opinion should ensure that the Postal Service is making an honest assessment, based on reliable data before it closes a facility. This can only be accomplished by examination of the veracity of the data underlying the factors, which necessarily requires examination of the way the data is measured and collected.

For the forgoing reasons, APWU respectfully requests that the Commission order the Postal Service to produce all documents, including but not limited to, instructions, handbooks, and templates used by the Postal Service to calculate the value of the factors used in the discontinuance study.

Respectfully submitted,

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