

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

STATION AND BRANCH OPTIMIZATION AND
CONSOLIDATION INITIATIVE, 2009

Docket No. N2009-1

INSTITUTIONAL RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO QUESTION POSED DURING ORAL CROSS-EXAMINATION OF WITNESSES
AT SEPTEMBER 30, 2009 HEARINGS
(Tr. Vol. 2/363, Line 4)
(October 20, 2009)

The United States Postal Service hereby provides an institutional response to a question posed by the Commission during oral cross-examination on September 30, 2009, at Tr. Vol. 2/363, line 4.

Based upon its review of Volume 2 of the Docket No. N2009-1 transcript, the Postal Service has determined that there were 10 such questions. Responses to nine have been filed to-date. The tenth question -- at Tr. Vol. 2/363, line 4 -- is faithfully paraphrased and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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**RESPONSE TO QUESTION POSED DURING ORAL CROSS-EXAMINATION
ON SEPTEMBER 30, 2009**

TRANSCRIPT VOLUME 2 QUESTION – Page 363, line 4:

Can we develop a procedure in which specific customer input the Commission has collected from its field hearings and has otherwise received is referred to local managers so they can consider it?

RESPONSE

Generally and for purposes of the Station and Branch Optimization and Consolidation Initiative, the Postal Service has a well-established process for the direct solicitation of local customer answers to questionnaires and comments in response to posted, disseminated or otherwise published notices pertaining to particular facility-specific station or branch discontinuance proposals. That public input process is designed to provide the Postal Service with indicators of local customer service concerns relevant to a specific discontinuance study. The solicitation of input is scheduled to ensure that comments are received in time for consideration by a District SBOC discontinuance review team after it has determined that a particular station/branch discontinuance proposal is logistically feasible, but before that team decides whether to forward that proposal to the Area for review and to Headquarters for decision. The process continues to serve the Postal Service and its customers well.

As a participant in the Commission's September 16th and 23rd field hearings, the Postal Service is aware that, notwithstanding the stated purposes of those hearings, some participants who addressed the Commission (a) seemed unaware of those purposes, (b) had misperceptions about the limited role assigned to the Commission by 39 U.S.C. § 3661, and/or (c) mistakenly believed that the Commission was authorized to make, veto or review specific station or

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RESPONSE to Tr. Vol. 2, Page 363, line 4 QUESTION (continued):

branch consolidation decisions. Accordingly, some participants implored the Commission either to take certain facility-specific action or to enjoin the Postal Service from doing so.

As of the date of this response, SBOC discontinuance review is being conducted locally by scores of postal district offices for hundreds of SBOC candidate stations and branches. Such facilities in the Northern Ohio and New York Metro postal districts selected by the Commission for its field hearings deserve no more and no less attention by the Postal Service than any other candidate stations and branches around the nation. The concerned customers of those two postal districts also deserve no more and no less consideration of their concerns than do the customers whose districts were not the site of a Commission field hearing.

Postal Service headquarters is in receipt of copies of the transcripts of the Commission's Independence OH and Bronx NY hearings. Even if it was not the Commission's intent, both hearings provided opportunities for persons to express their concerns to the Commission regarding the possibility of the consolidation of specific local stations and branches. The Postal Service collected copies of the prepared witness statements that were available at each hearing and that were subsequently posted by the Commission on its website. It remains to be seen what the evidentiary status of such materials may be and what weight they should or will be given by the Commission in the formulation of its advisory opinion in this docket.

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RESPONSE to Tr. Vol. 2, Page 363, line 4 QUESTION (continued):

The Postal Service local SBOC public input process referenced above and in the testimony of witness Matalik (USPS-T-2) has been and, as necessary, will continue to be employed by discontinuance review teams across the nation, including those in the Northern Ohio and New York Metro districts. That process is expected to generate robust public response and to provide useful indicators of customer concerns pertinent to specific discontinuance proposals.

For the purpose of having postal district offices consider comments submitted to the Commission at its own field hearings, the Commission appears to propose that the Postal Service consider either halting ongoing district consideration of discontinuance proposals or remanding for reconsideration any proposals that have advanced beyond the district office. And, out of fairness to customers of other districts, the Commission requests that the Postal Service commit to doing the same in response to other facility-specific comments the Commission might receive, passively or otherwise.

With all due respect, the Commission presents a suggestion that, if implemented, would perpetuate rather than correct public misperceptions that were evident at its field hearings concerning the respective roles of the Postal Service and the Commission as they pertain to the station/branch discontinuance review process. The Postal Service appreciates the apparent intent behind the Commission's suggestion. Nevertheless, the Postal Service considers that it would be counter-productive to commit now to a potential disruption of the orderly local consideration of discontinuance proposals currently underway.

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RESPONSE to Tr. Vol. 2, Page 363, line 4 QUESTION (continued):

This applies with equal force to comments concerning candidate stations and branches discussed at the two field hearings, as well as other comments the Commission has received or will receive from customers or other interested parties in relation to the hundreds of other remaining SBOC candidate facilities.

It is the view of the Postal Service that the better course would be one more in harmony with the exclusive role of Postal Service management in the administration of the station and branch discontinuance decision-making process and the limited advisory role assigned to the Commission by 39 U.S.C. § 3661. Accordingly, the Postal Service will continue to rely on its district offices to collect and consider public comment received directly through the channels established and managed by the Postal Service exclusively for this purpose before forwarding discontinuance proposals up the internal chain-of-command for decision by headquarters.

The Postal Service does not seek, by this response, to discourage the Commission for continuing to post in its electronic and publicly accessible Docket No. N2009-1 comment files the comments of postal customers and others pertinent to the SBOC Initiative generally or to facility-specific discontinuance proposals. Such comments have the potential to be informative about the concerns customers are likely to express in response to station/branch discontinuance proposals generally. Review by the headquarters SBOC review team of the Commission field hearing comments and other SBOC-

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RESPONSE to Tr. Vol. 2, Page 363, line 4 QUESTION (continued):

related comments posted in the Commission's public comment files cannot help but to ensure a greater sensitivity by that team to similar customer concerns associated with specific SBOC discontinuance proposals that are collected directly by the Postal Service locally and forwarded to headquarters for review and final agency decision.

Otherwise, the Postal Service looks forward to the opportunity to review any constructive suggestions for improving its public input process as may appear in the Commission's advisory opinion.