

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

In the Matter of:)
)
Renfro Valley, KY 49473) Docket No. A2010-6
(Jeff Hayes and All Boxholders who Signed the)
Previous Petition, Petitioners))

UNITED STATES POSTAL SERVICE
COMMENTS REGARDING APPEAL
(October 19, 2010)

On August 25, 2010, the Commission received an appeal from postal customer Jeff Hayes (Petitioner) objecting to the consolidation of the Post Office at Renfro Valley, KY. On August 31, 2010, the Commission issued PRC Order No. 527, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). The Commission received no additional letters from customers of the Renfro Valley Post Office. The Participant Statement was filed on September 22, 2010. In accordance with PRC Order No. 527, the administrative record was filed with the Commission on September 10, 2010, one day late.¹

The Participant Statement and appeal raise two main issues: (1) the effect on postal services and (2) the impact upon the Renfro Valley community. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. Accordingly, the determination to consolidate the Renfro Valley Post Office should be affirmed.

¹ In compliance with PRC Order No. 540, the Postal Service refiled the Administrative

Background

The Final Determination To Consolidate the Renfro Valley, KY Post Office And Establish a Community Post Office (FD) and administrative record indicate that the Renfro Valley Post Office provides EAS-C level service to 43 Post Office box customers. FD at 1; Item 26 (Form 4920), Closing or Consolidation Proposal Fact Sheet at 1. The former postmaster retired on July 3, 2009, and a career employee from a neighboring office was installed as the temporary officer-in-charge (OIC). Id. Daily window transactions average nine. Id. Revenue has been low and declining: \$21,017.00 in FY-2007 (61 revenue units); \$12,484.00 in FY-2008 (35 revenue units); and \$10,620.00 in FY-2009 (33 revenue units). Id. The Renfro Valley Post Office has no meter or permit customers. Id.

Upon implementation of the FD, customers will receive delivery and retail services from a Community Post Office administered by the Mount Vernon, KY Post Office, located 2.6 miles away. The Community Post Office will provide the same services as an Independent Post Office except for permit mail acceptance and postage meter setting. Id.

In light of a postmaster retirement, low and declining office revenue, the variety of delivery options -- including the convenience of a Community Post Office; the lack of adverse impact upon the community, FD at 6-7, Item No. 6, January 4, 2010 Letter from Manager, Post Office Operations to Renfro Valley Postal Customer at 76; and the expected financial savings, Item No. 26, Post Office Closing or Consolidation Proposal

(..continued)

Record electronically on September 24, 2010.

at 1, the advantages of this consolidation outweigh its disadvantages, FD at 8, while continuing to provide regular and effective postal services in a cost-effective manner to the Renfro Valley community. FD; Administrative Record.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(b)(2)(A)(iii), and as addressed throughout the administrative record, the Postal Service considered the effect of consolidating the Renfro Valley Post Office on postal services provided to Renfro Valley customers, and the consolidation is premised upon providing regular and effective postal services to them.

The Participant Statement received by the Postal Service in PRC Docket No. A2010-6 raises the issue of the effect on postal services in a general way by noting the convenience of the Renfro Valley Post Office and requesting its retention, or in somewhat more specific respects by, for example, expressing concern regarding the need to travel to neighboring offices. These concerns were considered and addressed by the Postal Service. See, e.g., FD at 3 (courteous and helpful service available from the carrier and the Checotah Post Office); *id.* at 4, Item No. 7, Postal Customer Questionnaire Analysis at 2 (mail security); FD at 3, Item No. 6, January 4, 2010 Letter from Manager, Post Office Operations to Postal Customer at 73 (need to travel); FD at 1-2, Item No. 6, January 4, 2010 Letter from Manager, Post Office Operations to Postal Customer at 73 (parking); and FD at 4, Item No. 7, Postal Customer Questionnaire Analysis at 1 (reliable delivery).

Accordingly, the Postal Service has considered the impact of consolidating the

Renfro Valley Post Office upon the provision of postal services to Renfro Valley customers. Indeed, a Community Post Office will provide the same retail service as an Independent Post Office, and the hours of a Community Post Office can be established and adjusted to meet the changing needs of the community. FD at 5. Establishment of a Community Post Office will provide an opportunity for a local person to contract for the Community Post Office service, offering the potential to add to the financial base of the community. Id. Further, the financial savings that should result from consolidating the Renfro Valley Post Office will contribute to the stability of postal rates -- a benefit to all postal customers. Id. Thus, the Postal Service has properly concluded that all Renfro Valley customers will continue to receive regular and effective service via the Community Post Office.

Effect Upon the Renfro Valley Community

The Postal Service is obliged to consider the effect of its decision to consolidate the Renfro Valley Post Office upon the Renfro Valley community. 39 U.S.C. § 404(b)(2)(A)(i). In essence, while the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

As noted in the FD (at 6), Renfro Valley is an unincorporated rural community located in Rockcastle County, which also provides police protection. The community is administered politically by the Rockcastle County Fiscal Court with fire protection provided by the Mount Vernon Volunteer Fire Department. Renfro Valley has no

churches or schools, but approximately twenty businesses. The retirees, farmers, commuters, and others who reside in Renfro Valley must travel elsewhere for other supplies and services. See generally Item No. 6, Postal Service Questionnaire, at 1-76.

The Postal Service has concluded that nonpostal services provided by the Renfro Valley Post Office can be provided by the Community Post Office and local businesses. There is no indication that the business community, which does not include any permit or meter customers, Item 26 (Form 4920), Closing or Consolidation Proposal Fact Sheet at 1, will be hurt, and the Community Post Office is expected to be able to handle any future growth. FD at 7. Moreover, community identity will be preserved through retention of the community name and ZIP Code in the mailing address. See Item No. 7, Postal Customer Questionnaire Analysis at 1.

The Participant Statement received by the Commission in this docket expresses a concern shared by the Postal Service that consolidating the Renfro Valley Post Office may negatively impact the community, or that community identity may be lost. As set forth above, the Postal Service has addressed these concerns. Thus, the Postal Service has met its burden by considering the impact of consolidating the Renfro Valley Post Office upon the Renfro Valley community and concluding it will not adversely affect the community.

Conclusion

As reflected throughout the administrative record, the Postal Service has carefully considered the effect of consolidating the Renfro Valley Post Office upon the Renfro Valley community, postal employees, the provision of postal services, and economic savings, consistent with the mandate of 39 U.S.C. § 404(b)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of consolidation outweigh the disadvantages, and that after the consolidation the Postal Service will continue to provide effective and regular service to Renfro Valley customers. FD at 8. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and in accord with the policies stated in 39 U.S.C. § 404(b)(2)(A). The Postal Service's decision to consolidate the Renfro Valley Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to consolidate the Renfro Valley Post Office be affirmed.

Respectfully submitted,

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