

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

In the Matter of:

Pinehurst Village Station
Pinehurst, NC 28370
(John M. Marcum and Bettye M.
Marcum, Petitioners)

Docket No. A2011-49

**UNITED STATES POSTAL SERVICE NOTICE
AND APPLICATION FOR NON-PUBLIC TREATMENT**
(September 2, 2011)

By means of Order No. 819 (August 22, 2011), the Postal Regulatory Commission docketed correspondence from customers of the Pinehurst Village Station in Pinehurst, North Carolina, assigning PRC Docket No. A2011-49 as an appeal pursuant to 39 U.S.C. § 404(d). That Order, at page 3, set September 2, 2011 as the date by which “[t]he Postal Service shall file the applicable administrative record regarding this appeal” or “any responsive pleading to this Notice.” This pleading responds to that directive.

As an initial matter, this appeal concerns the discontinuance of a station, which is a retail unit subordinate to a Post Office. See Publication 32, Glossary of Postal Terms (updated through April 2011) at 176 (defining postal station); *Wilson v. United States Postal Service*, 441 F. Supp. 803, 806-807 (C.D. Cal. 1977) (recognizing the situation where a “station or branch is ... subordinate to another Post Office”). In the Postal Service’s view, the discontinuance of the

Pinehurst Village Station does not require an official administrative record conforming to Post Office discontinuance regulations in 39 CFR Part 241.3 and Handbook PO-101 because the Pinehurst Village Station is not a Post Office.¹ Nonetheless, the Postal Service submits the attached administrative record,² which documents how Postal Service management considered the various effects of the instant discontinuance action on customers, employees, and the community.

The Postal Service also notes that the procedural requirements of 39 U.S.C. § 404(d) do not apply because the discontinuance of Pinehurst Village Station does not qualify as a closure envisioned by 39 U.S.C. § 404(d). As recognized in PRC Docket No. A2010-3, the section 404(d) procedural requirements apply only where postal customers lose access to postal services, and postal customers do not lose access to postal services where alternate retail facilities are located in “close proximity” to the discontinued station. See Order No. 477, PRC Docket No. A2010-3 (June 22, 2010) at 7-8. In this case, customers will continue to have access to the Pinehurst Post Office, located approximately 1.6 miles from Pinehurst Village Station. See Exhibit 2 (printout

¹ The Postal Service understands that 39 U.S.C. § 404(d) does not extend to the review of Postal Service decisions regarding the discontinuance of stations and branches. See *generally* Reply Brief of the United States Postal Service (December 16, 2009), section III (pp. 6-12), PRC Docket No. N2009-1; Comments of United States Postal Service Regarding Jurisdiction Under (Current) Section 404(d), PRC Docket No. A2010-3 (April 19, 2010). In this matter, Petitioner does not allege facts that constitute a condition precedent to any jurisdiction of the Commission under section 404. 39 U.S.C. § 404(d)(5).

² As set forth in its Application for Non-Public treatment, filed concurrently with this Notice as Exhibit 1, the Postal Service files a non-public version of the administrative record under seal to protect certain commercial information of the Postal Service, as well as personal identifiable information of individual customers.

from “Locate a Post Office” on USPS.Com).³ Customers may obtain some postal services from alternate access options, including a stamp consignment site located within a mile of Pinehurst Village Station – Wells Fargo Bank – and Stamps By Mail®. See Exhibit 3 (printout from “Locate a Post Office” on USPS.Com). Accordingly, due to the close proximity of other postal facilities and the presence of alternate access options, the discontinuance of Pinehurst Village Station will not cause postal customers to lose access to postal services, and the section 404(d) procedures do not apply.

Even assuming the section 404(d) requirements were applied to the discontinuance of Pinehurst Village Station, the Postal Service satisfied the salient provisions of section 404(d). On March 25, 2011, the Postal Service distributed questionnaires to customers notifying them of the possible discontinuance of Pinehurst Village Station, and inviting comments on the potential change to the postal retail network. Administrative Record at Item No. 23, pg. 1. The Postal Service made these questionnaires available over the counter for retail customers who did not receive mail delivery through Pinehurst Village Station. *Id.* Through this notification, the Postal Service furnished customers with well over 60 days’ notice of the Postal Service’s intention to consider discontinuance of the facility. The Postal Service received 444 customer responses to the questionnaires. *Id.* Upon making the final decision to discontinue Pinehurst Village Station, the Postal Service announced its decision through a public notice posted on July 8, 2011. See Revised Petition for Review

³ Exhibit 2 uses the term “Post Office” for retail units staffed by postal employees, thus including stations, branches and Post Offices.

Received from John Marcum, PRC Docket No. A2011-49 (August 23, 2011), Attachment.

The Postal Service further considered all of the pertinent criteria of section 404(d), including the effect on postal services, the community, and employees, and the economic savings arising from the discontinuance. Administrative Record at Item No. 33. Customers notified the Postal Service of their concerns related to postal services, including the conditions of other nearby postal facilities; the community, including the effect on senior citizens and local businesses; and employees. *Id.* As reflected in the administrative record, the Postal Service considered these concerns during the decision-making process. See *id.* With respect to economic savings, the Postal Service developed an assessment of the costs that serve as a basis for its estimate of economic savings. *Id.*

In its responses to customer questionnaires, the Postal Service addressed customer concerns about obtaining services from a different postal retail location. Specifically, the Postal Service informed customers that after the discontinuance of Pinehurst Village Station, they would have a choice of carrier delivery or Post Office Box service. *Id.* at Item No. 22, pg. 438 and Item No. 23, pg. 1. It also explained that while a change of address is necessary for those customers choosing carrier delivery service, customers choosing Post Office Box service at the Pinehurst Post Office could retain their existing addresses. *Id.* In addition, the Postal Service identified the numerous retail service options available to customers, including the Pinehurst Post Office located 1.6 miles from Pinehurst

Village Station, and the ability to purchase stamps by telephone, through the internet, or at stamp consignment locations listed at www.usps.com. *Id.* at Item No. 22, pg. 444 and Item No. 23, pg. 20.

In summary, the Postal Service submits the attached documentation in support of the foregoing discussion.

Respectfully submitted,

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September 2, 2011

EXHIBIT 1

APPLICATION OF THE UNITED STATES POSTAL SERVICE FOR NON-PUBLIC TREATMENT OF MATERIALS
(September 2, 2011)

In accordance with 39 C.F.R. § 3007.21 and Order No. 225,¹ the United States Postal Service (Postal Service) applies for non-public treatment of certain materials filed under seal with the Commission. The Pinehurst Village Station Administrative Record includes financial and customer information related to operations at the Pinehurst Village Station 28370, and other postal retail facilities in close proximity to Pinehurst Village Station.

(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). Materials designated as non-public also include personally identifiable information (PII) that was redacted in conformity with 39 U.S.C. § 410(c)(1) and 5 U.S.C. § 552(b)(6). Because the portions of the materials that the Postal Service applies to file under seal 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.

¹ PRC Order No. 225, Final Rules Establishing Appropriate Confidentiality Procedures, PRC Docket No. RM2008-1 (June 19, 2009).

(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 income, costs, and staffing at affected facilities. In addition, the PII of individual customers, including names, addresses, and contact information, is treated as non-public in this filing. 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 was disclosed publicly, the Postal Service considers it quite likely that it would suffer harm. Revealing Postal Service financial information would enable competitors to focus marketing efforts on particular Postal Service locations with many potential customers for the competitor. The Postal Service considers it highly probable that, if this information were made public, local competitors would take advantage of it. In addition, although the harm concerning disclosure of PII about customers is not "commercial" in nature, the Postal Service notes that the disclosure of the PII of its customers would

expose these customers to an increased risk of invasions of privacy and the greater possibility of identity theft and related crimes.

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

Harm: Revealing facility-specific financial information would enable competitors to target the location for sales and marketing purposes.

Hypothetical: Facility-specific financial information at 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.

Harm: Disclosing personal identifying information of Postal Service customers would expose these customers to an increased risk of identity theft and related crimes.

Hypothetical: A party uses the PII of Postal Service customers, in combination with other data sources, to steal a customer's identity through fraudulent credit applications. This could have a temporary negative impact on the customer's credit status, and prevent the customer from engaging in financial transactions until the false applications are purged from credit files.

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

The Postal Service maintains that the redactions of PII should be withheld from any persons who have not agreed to the Commission's standard confidentiality requirements.

(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. The Postal Service submits that the ten year period is not sufficient to protect the interests of individuals whose PII is included in the filed information. As such, the Postal Service believes that such information should be accorded non-public status indefinitely.

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

Under current Postal Service practices, a discontinuance study for a station or branch, such as Pinehurst Village Station, is not undertaken pursuant to the standards for a discontinuance study affecting an independent Post Office, where a formal proposal is posted for sixty days, with the underlying administrative record then made available for inspection. In discontinuance studies subject to section 404(d), customers participating in or providing input for the discontinuance study's purposes are customarily advised that their input may become part of a public record, a fact which customers may want to consider as they craft their comments or other input. With respect to participants in a

discontinuance study affecting a station or branch, however, study participants are not necessarily made aware that their input may become part of a public record. The Postal Service accordingly proceeds with an expectation that, consistent with 39 U.S.C. § 410(c)(1) and 5 U.S.C. § 552(b)(6), other federal agencies will also keep such information confidential.

Conclusion

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

EXHIBIT 2



Post Office™ Locations

[PRINT](#) | [BACK](#)

Post Office™ Locations near 28374



1 Post Office™
Location -
PINEHURST
 80 BLAKE BLVD
 PINEHURST, NC
 28374-8449
 (800) ASK-USPS
 (800) 275-8777

1.6 mi

Business Hours
 Mon-Fri
 8:30am-5:00pm
 Sat
 9:00am-12:00pm
 Sun
 Closed

2 Post Office™
Location -
SOUTHERN PINES
 190 SW BROAD ST
 SOUTHERN PINES,
 NC 28387-5405
 (800) ASK-USPS
 (800) 275-8777

4.6 mi

Business Hours
 Mon-Thu
 8:30am-5:00pm
 Fri
 8:30am-2:00pm
 Sat-Sun
 Closed

3 Post Office™
Location -
ABERDEEN
 111 S POPLAR ST
 ABERDEEN, NC
 28315-2705
 (800) ASK-USPS
 (800) 275-8777

5.0 mi

Business Hours
 Mon-Fri
 8:30am-5:00pm
 Sat
 8:30am-12:00pm
 Sun
 Closed

Post Office™ Locations near 28374

By City

[PINEHURST](#)

[ABERDEEN](#)

[PINEBLUFF](#)

[WEST END](#)

SOUTHERN
PINES

By ZIP Code

28387	28315	28373	27376	27281	28350	28327	28394	27242	28363
28367	28326	27229	27325	28338	28376	27259	28355	27209	28396

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EXHIBIT 3



Alternate Locations to Buy Stamps

Alternate Locations to Buy Stamps near 28374



1	WELLS FARGO BANK 110 CENTRAL PARK AVE PINEHURST, NC 28374-8801	0.9 mi	Directions More info Nearby Businesses
2	STAPLES 290 TURNER ST ABERDEEN, NC 28315-2363	3.7 mi	Directions More info Nearby Businesses
3	WALGREENS 1706 N SANDHILLS BLVD ABERDEEN, NC 28315-2338	4.2 mi	Directions More info Nearby Businesses
4	FOOD LION 1832 N SANDHILLS BLVD ABERDEEN, NC 28315-2336	4.2 mi	Directions More info Nearby Businesses
5	WELLS FARGO BANK 600 SW BROAD ST SOUTHERN PNES, NC 28387-5911	4.4 mi	Directions More info Nearby Businesses

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By ZIP Code

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28367	28326	27229	27325	28338	28376	27259	28355	27209	28396

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