

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

RETAIL ACCESS OPTIMIZATION INITIATIVE, 2011

Docket No. N2011-1

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO QUESTIONS 1, 2(b-c) AND 3 THROUGH 5 OF PRESIDING OFFICER'S
INFORMATION REQUEST NO. 4**

The United States Postal Service hereby provides institutional responses to Questions 1, 2(b-c) and 3 through 5 of Presiding Officer's Information Request No. 4, dated August 31, 2011. Each question is stated verbatim and followed by the response. A response to Question 2(a) is forthcoming.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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September 7, 2011

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 4**

1. Please provide, by finance number, for each of the 3,652 facilities selected for discontinuance review, a spreadsheet that includes:
 - a. The current operating hours for each day of the week;
 - b. The date of any change in the operating hours that has occurred in the past 3 years; and
 - c. The operating hours for each day of the week prior to any change in the past 3 years.

RESPONSE:

- a. This information is included in USPS Library Reference N2011-1/NP6.
- b-c. This information is not retained. As with many postal data sources, information that is collected is also retained when a business purpose is identified that justifies retention. Hours of operation are needed prospectively, but not retrospectively.

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2. Please provide, for each Cost Ascertainment Group of Postal Service-operated retail facilities:
 - a. Average annual revenue per facility for Fiscal Years 2008, 2009, and 2010;
 - b. The percentage of offices whose operating hours have been increased in the last 3 years; and
 - c. The percentage of offices whose operating hours have been reduced in the last 3 years.

RESPONSE:

- a. [Response forthcoming.]
- b-c. This information is not retained. As with many postal data sources, information that is collected is also retained when a business purpose is identified that justifies retention. Hours of operation are needed prospectively, but not retrospectively

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3. The following questions seek information about facilities that are designated as a "gaining" facility for post office box or other postal services.
- a. Please describe how the Postal Service records and tracks whether a facility being considered for discontinuance has recently been designated as a gaining facility for a discontinued Postal Service operated retail facility.
 - b. Please explain how, in its discontinuance review, the Postal Service gives weight to the fact that a facility was designated as a "gaining" facility for a previously closed Postal Service operated retail facility.

RESPONSE:

- a. Since operational data systems focus upon the business requirements necessary to the collection, processing, distribution and delivery of mail, why that particular fact would be stored is not clear: it would have no impact upon how the mail is delivered today or tomorrow. However, the fact that a particular RAO candidate facility recently may have been a "gaining" facility as the result of another facility's recent discontinuance is likely to be noted and given such consideration as it merits in the review of the "gaining" facility's status.
- b. Whether a particular facility being studied for possible discontinuance was previously identified as a "gaining" facility, whether of retail or delivery operations, would depend upon the particular discontinuance study. Were such "gaining" status 15 years old, for example, the relevance of that fact to study of potential changes to the current operating environment would seem less than minimal. But if the facility became a "gaining" facility two weeks before a discontinuance study commenced, customers or employees would be much more likely to note that fact at one or more of

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RESPONSE to Question 3 (continued):

points at which input is gathered (questionnaire, meeting, correspondence, comments on proposal). Its weight, however, would depend upon the particular circumstances presented in the discontinuance study. Quantitative weights are not assigned to respective facts, opinions, or other input.

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4. Please provide a brief explanation of each type of recording technology used in Postal Service-operated retail facilities (POS, CARS, eMoves, and IRT), including a list of the data fields each technology captures and reports. Please provide a brief explanation of each field that is not clearly named.

RESPONSE:

POS (Point of Service) -- For the largest approximately 15,500 offices, stations and branches, this system records transactions, revenue, customer visits and quantities by product from the bar code scan on each product. It also records services and the transactions and revenue associated with those services. In addition, POS records non-revenue transactions.

IRT (Integrated Retail Terminal) -- This system is not nearly as sophisticated as POS and it does not record transactions or customer visits. At approximately 4500 locations, it records revenue by general ledger account number (GLA). The IRT is used in most of CPUs. The IRT is currently being phased out and replaced by eMOVES

eMOVES - This is the least sophisticated system. At about 2500 locations, it records revenue by general ledger account number (GLA). It does not record transactions or customer visits.

CARS is used in Contract Postal Units, but not in postal operated retail facilities.

A list of data fields captured and reported for the technologies used in postal operated retail facilities is being prepared for filing in a Library Reference.

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5. Please confirm that over the next 5 years the Postal Service intends to apply the review process established in the RAOI to significant numbers of Postal Service retail facilities not already identified in the current proposal.

RESPONSE:

Senior postal management has envisioned the discontinuance review process embodied in the *USPS Handbook PO-101* being applied to more retail facilities in subsequent, yet undefined, broad network review initiatives, each of which may require approval of the Governors and fulfillment of a section 3661 obligation. Future plans will be developed after the Postal Service has absorbed lessons derived from the RAOI, including operational and financial ones from the Initiative itself, but also including the Commission's advisory opinion. Those plans may or may not resemble candidate facility selection criteria similar to those in the RAO Initiative.