

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

*In the Matter of:*  
Deering Post Office  
Deering, Missouri 63540

Docket No. A2012-58

UNITED STATES POSTAL SERVICE  
COMMENTS REGARDING APPEAL  
(January 3, 2012)

On November 7, 2011, the Postal Regulatory Commission (Commission) received an appeal postmarked October 28, 2011, from postal customer Douglas James (Petitioner) objecting to the discontinuance of the Post Office at Deering, Missouri.<sup>1</sup> On November 22, 2011, the Commission issued Order No. 992, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). In accordance with Order No. 992, the administrative record was filed with the Commission on November 22, 2011. On November 25, 2011, the Postal Service filed an erratum to the administrative record. The following is the Postal Service's answering brief in support of its decision to discontinue the Deering Post Office.

The appeal received by the Commission on November 7, 2011 raises three main issues: (1) the effect on postal services, (2) the impact upon the Deering community, and (3) the calculation of economic savings expected to result from discontinuing the Deering Post Office. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. In addition, consistent with the

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<sup>1</sup> This discontinuance was conducted pursuant to Handbook PO-101, dated August 2004, and updated with Postal Bulletin revisions through August 2, 2007.

Postal Service's statutory obligations and Commission precedent,<sup>2</sup> the Postal Service gave consideration to a number of other issues, including the impact upon postal employees. Accordingly, the determination to discontinue the Deering Post Office should be affirmed.

### **Background**

The Final Determination To Close the Deering, MO Post Office and Extend Rural Route Service ("Final Determination" or "FD"), as well as the administrative record, indicate that the Deering Post Office provides EAS-55 level service to 70 Post Office Box customers, no general delivery customers, and retail customers 36 hours per week. FD at 2; Item No. 18, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet ("Fact Sheet"), at 1.<sup>3</sup> The postmaster of the Deering Post Office was promoted on October 10, 2008.<sup>4</sup> Since the postmaster vacancy arose, a temporary officer-in-charge (OIC) has been installed to operate the office. Upon implementation of the Final Determination, the noncareer OIC may be separated from the Postal Service; however attempts will be made to reassign the employee to a nearby facility.<sup>5</sup> The average number of daily retail window transactions at the Deering Post Office is 11. Revenue has generally been low: \$13,191.00 in FY 2008; \$16,169.00 in FY 2009; and

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<sup>2</sup> See 39 U.S.C. 404(d)(2)(A).

<sup>3</sup> FD at 2. The Final Determination can be found at Item 47 in the administrative record. All citations to the Final Determination will be to "FD at \_," rather than to Item 47. The FD page number refers to the pages as marked on the upper left of the document. Other items in the administrative record are referred to as "Item No. \_\_\_."

<sup>4</sup> FD at 2; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2.

<sup>5</sup> FD at 8; Item No. 33, Proposal, at 8; Item No. 41, Revised Proposal, at 8.

\$12,230.00 in FY 2010.<sup>6</sup> The Deering Post Office has no meter and no permit customers.<sup>7</sup>

Upon implementation of the final determination, delivery and retail services will be provided by rural route delivery administered by the Wardell Post Office, an EAS-13 level office, located 17 miles away, which has 40 available Post Office Boxes.<sup>8</sup> This service will continue upon implementation of the Final Determination.<sup>9</sup>

The Postal Service followed the proper procedures which led to the posting of the Final Determination. All issues raised by the customers of the Deering Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and Final Determination, customers received notice through other means. Questionnaires were distributed to delivery customers of the Deering Post Office. Questionnaires were also available over the counter for retail customers at Deering.<sup>10</sup> A letter from the Manager of Post Office Operations, Kansas City, MO was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Deering Post Office was warranted, and that effective and regular service could be provided through rural route delivery and retail services available at the Wardell Post Office.<sup>11</sup> The letter invited customers to complete and

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<sup>6</sup> FD at 2; Item No. 18, Fact Sheet; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2.

<sup>7</sup> Id.

<sup>8</sup> Id.

<sup>9</sup> Id.

<sup>10</sup> FD at 2; Item No. 20, Questionnaire Instruction Letter from P.O. Review Coordinator to OIC/Postmaster at Deering Post Office, at 1.

<sup>11</sup> Item No. 21, Cover Letter for Questionnaire, at 1. The letter to customers states that Bragg City will be the administrative office. The administrative office for the Deering Post Office was subsequently changed

return a customer questionnaire and to express their opinions about the service they were receiving and the effects of a possible change involving rural route delivery.<sup>12</sup> The returned customer questionnaires and Postal Service response letters appear in the administrative record in Item No. 22. In addition, representatives from the Postal Service were available at the Delta C-7 High School for a community meeting on June 22, 2011, to answer questions and provide information to customers.<sup>13</sup> Customers received formal notice of the Proposal and Final Determination through postings at nearby facilities. The Proposal was posted with an invitation for public comment at the Deering, Wardell<sup>14</sup> and the Braggadocio<sup>15</sup> Post Office from July 13, 2011 to September 13, 2011.<sup>16</sup> The FD was posted at the same Post Offices starting on October 4, 2011, as confirmed by the round-dated Final Determination cover sheets that appear in the administrative record.

In light of the postmaster vacancy, a minimal workload, low office revenue,<sup>17</sup> the variety of delivery and retail options (including the convenience of rural delivery and retail service),<sup>18</sup> very little recent growth in the area,<sup>19</sup> minimal impact upon the

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to the Wardell Post Office. As previously mentioned, the Wardell Post Office is not being considered for RAOI. See note 13 and accompanying text,

<sup>12</sup> Item No. 21, Cover Letter for Questionnaire, at 1.

<sup>13</sup> Item No. 24, Community Meeting Roster, at 1.

<sup>14</sup> The Wardell Post Office will be the receiving office for the Deering Post Office. It is not a candidate facility within the Retail Access Optimization Initiative (RAOI). See Docket No. N2011-1, USPS LR-N2011-1/11 Rev 1, at <http://www.prc.gov/prc-pages/library/detail.aspx?docketId=N2011-1&docketPart=Documents&docid=75971&docType=Library%20References&attrID=&attrName=>.

<sup>15</sup> The Braggadocio Post Office is a candidate facility within the Retail Access Optimization Initiative (RAOI). However, it will not be the receiving office for the Deering Post Office. See Docket No. N2011-1, USPS LR-N2011-1/11 Rev 1, at <http://www.prc.gov/prc-pages/library/detail.aspx?docketId=N2011-1&docketPart=Documents&docid=75971&docType=Library%20References&attrID=&attrName=>.

<sup>16</sup> Item No. 36, Round-date stamped Proposals and Invitation for Comments from affected offices.

<sup>17</sup> Item No. 18, Fact Sheet.

<sup>18</sup> FD at 2; Item No. 33; Proposal, at 2; Item No. 41, Revised Proposal, at 2.

<sup>19</sup> Item No.16, Community Survey Sheet.

community, and the expected financial savings,<sup>20</sup> the Postal Service issued the Final Determination.<sup>21</sup> Regular and effective postal services will continue to be provided to the Deering community in a cost-effective manner upon implementation of the final determination.<sup>22</sup>

Each of the issues raised by the Petitioner is addressed in the paragraphs which follow.

### **Effect on Postal Services**

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

The Petitioner, in his letter of appeal, raises the issue of the effect on postal services of the Deering Post Office's closing, noting the convenience of the Deering Post Office and requesting its retention. The Petitioner expresses particular concern with regard to delivery of packages and accountable mail services, as well as the impact on seniors, disabled persons, and businesses. These concerns were considered by the Postal Service.

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<sup>20</sup> FD at 8; Item No. 33, Proposal, at 8; Item No. 41, Revised Proposal, at 8.

<sup>21</sup> FD at 5-7.

<sup>22</sup> FD at 2.

Upon implementation of the final determination, services provided at the Post Office, such as the sale of stamps, envelopes, postal cards and money orders will also be available from the carrier to roadside mailboxes.<sup>23</sup> The retail services to be provided by the carrier alleviate the need for customers to travel to a Post Office for most services. Most transactions do not require meeting the carrier at the mailbox. Further, Stamps by Mail and Money Order Application forms are available for customer convenience. FD at 2; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2. Stamps are also available at many stores and gas stations where customers may already shop, online at usps.com, or by calling 1-800-STAMP-24. FD at 2; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2.

The Postal Service further explained that carrier service is especially beneficial to many senior citizens and those who face special challenges because the carrier can provide delivery to roadside mailboxes or centralized box units. FD at 3; Item No. 33, Proposal, at 3; Item No. 41, Revised Proposal, at 3. Moreover, upon request, special provisions may be made for hardship cases or special customer needs. FD at 3; Item No. 33, Proposal, at 3; Item No. 41, Revised Proposal, at 3.

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<sup>23</sup> FD at 2; Item No. 33, Proposal, at 2; Item No. 41, Revised Proposal, at 2.

With respect to packages, the Postal Service explained that rural carriers will deliver packages that fit into customer's rural mailboxes. FD at 4; Item No. 33, Proposal, at 4; Item No. 41, Revised Proposal, at 4. If the packages do not fit then the carrier will deliver the package up to ½ mile off the line of travel, at a designated place (such as a porch or under a carport). FD at 4; Item No. 33, Proposal, at 4; Item No. 41, Revised Proposal, at 4. For carrier pickup of packages, customers can contact the administrative Post Office and advise the carrier that a package is available for pick up. The carrier will accept letters, flats, or packages up to 13 ounces for mailing. FD at 4; Item No. 33, Proposal, at 4; Item No. 41, Revised Proposal, at 4. The carrier will then estimate the cost and provide a receipt for any money received. On the following delivery day, the carrier will provide change or a bill for the amount over the estimate. FD at 4; Item No. 33, Proposal, at 4; Item No. 41, Revised Proposal, at 4. Packages over 13 ounces may be picked up if the postage was printed online or with a traceable meter.<sup>24</sup> FD at 4; Item No. 33, Proposal, at 4; Item No. 41, Revised Proposal, at 4.

With regard to delivery of accountable items, the carrier will attempt delivery to customer residences up to ½ mile from the carrier's line of travel. If the customer is more than ½ mile away or is not at home when delivery is attempted, a notice will be left in the mailbox and the item will be taken back to the Wardell Post Office.<sup>25</sup> The

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<sup>24</sup> A rural carrier is also permitted to pick up a package weighing 13 ounces or more if the package is shipped by a known customer, does not have stamps applied, and includes a return address that matches the pick-up point. It is not necessary for customers to meet the carrier to utilize this service, as customers have the option of placing the package and payment in their delivery receptacle for pick-up by the carrier.

<sup>25</sup> If the carrier attempts to deliver accountable mail and the addressee is unable to sign for the letter, the carrier will leave a Form 3849 informing the addressee that the carrier attempted to deliver an accountable letter, but was unable. The form indicates that the letter is available in the local post office or

customer then has the option to pick up the item at the Post Office, request redelivery, or authorize delivery to another person or location.

The Postal Service also explained to customers that if they will be away for an extended time, they may request that their mail be held at the post office during their absence. Upon return, the customer will request the Post Office to resume delivery. FD at 3; Item No. 33, Proposal, at 3; Item No. 41, Revised Proposal, at 3.

The Postal Service has considered the impact of closing the Deering Post Office upon the provision of postal services to Deering customers. Rural route delivery to mailboxes installed on the carrier's line of travel provides similar access to retail service, while alleviating the need to travel to the Post Office.<sup>26</sup> Thus, the Postal Service properly concluded that all Deering customers will continue to receive regular and effective service via rural route delivery mailboxes installed on the carrier's line of travel.

### **Effect Upon the Deering Community**

The Postal Service is obligated to consider the effect of its decision to close the Deering Post Office upon the Deering community. 39 U.S.C. § 404(d)(2)(A)(i). 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.

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the addressee may attempt request redelivery. See Domestic Mail Manual § 508.1.1.7; Postal Operations Manual §§ 812.4, 619.2.

<sup>26</sup> FD at 5; Item No. 33; Proposal, at 6; Item No. 41, Revised Proposal, at 6.

Deering is an unincorporated rural community located in Pemiscot County. The Pemiscot County Sheriff's Department provides police protection. The community is administered politically by Pemiscot County Court, with fire protection provided by the Hayti Fire Department. FD, at 6; Item No. 33, Proposal at 6; Item No. 41, Revised Proposal, at 6. The questionnaires completed by Deering customers indicate that, in general, the retirees, farmers, commuters, and others who reside in Deering must travel elsewhere for other supplies and services. See generally FD at 6; Item No. 22, Returned customer questionnaires and Postal Service response letters.

The Petitioner's letter of appeal raises the issue of the effect of the closing of the Deering Post Office upon the Deering community. This issue was extensively considered by the Postal Service, as reflected in the administrative record. FD at 5- 6; Item No. 33, Proposal, at 6-7; Item No. 41, Revised Proposal, at 6-7. The Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name. FD at 6; Item No. 33, Proposal, 7; Item No. 41, Revised Proposal at 7. Communities generally require regular and effective postal services and these will continue to be provided to the Deering community. Carrier service is expected to be able to handle any future growth in the community. Item No. 16, Community Survey Sheet. The Postal Service noted that residents may continue to meet informally, socialize, and share information at the other businesses, churches and residences in town. FD, at 6; Item No, 33, Proposal, at 7; Item No. 41, Revised Proposal, at 7.

In addition, the Postal Service has concluded that nonpostal services provided by the Deering Post Office can be provided by the Wardell Post Office. Government forms usually provided by the Post Office are also available by contacting local government agencies. FD at 6; Item No. 33, Proposal, at 6; Item No. 41, Revised Proposal, at 6.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Deering Post Office on the community served by the Deering Post Office.

### **Economic Savings**

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that rural route carrier service would cost the Postal Service substantially less than maintaining the Deering Post Office and would still provide regular and effective service.<sup>27</sup> The estimated annual savings associated with discontinuing the Deering Post Office are \$33,664.00.<sup>28</sup> Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record, consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv).

The Petitioner questions why the Postal Service did not consider other cost-reduction measures. However, the Postal Service is only responsible for formulating a specific proposal and evaluating it in the context of Title 39, U.S. Code, and applicable regulations. In this case, the Postal Service has determined that carrier service,

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<sup>27</sup> Item No. 21, Customer Letter.

<sup>28</sup> FD at 7, Item No. 33, Proposal, at 8; Item 41, Revised Proposal, at 8.

coupled with service at nearby Post Offices, is a reasonable solution that will yield economic savings. In so doing, the Postal Service is not required to evaluate and reject alternative proposals. In this case, the Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations.

The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

### **Effect on Employees**

As documented in the record, the impact on postal employees is minimal. The postmaster was promoted on October 10, 2008. Since the postmaster vacancy, a noncareer employee was installed as the temporary officer-in-charge (OIC). Upon implementation of the final determination, the noncareer OIC may be separated from the Postal Service; however, attempts will be made to reassign the employee to a nearby facility. The record shows that no other employee would be affected by this closing.<sup>29</sup> Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Deering Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

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<sup>29</sup> FD at 8; Item No. 15, Post Office Survey Sheet; Item No. 33, Proposal, at 8; Item No. 41, Revised Proposal, at 8.

## Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Deering Post Office on the provision of postal services and on the Deering community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Deering customers.<sup>30</sup> The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). The Postal Service's decision to close the Deering Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Deering Post Office be affirmed.

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<sup>30</sup> FD at 5; Item No. 33, Proposal, at 6; Item No. 41, Revised Proposal, at 6.

Respectfully submitted,

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