

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

*In the Matter of:*

Spring Dale Post Office  
Spring Dale, WV 25986

Docket No. A2012-68

UNITED STATES POSTAL SERVICE RESPONSE TO  
PUBLIC REPRESENTATIVE REPLY COMMENTS  
(February 13, 2012)

On January 9, 2012, the Postal Service filed its Comments in this proceeding. On February 1, 2012, the Public Representative submitted Reply Comments. The Postal Service hereby responds with further information and explanation.<sup>1</sup>

**I. Cost Calculation**

The Public Representative spends much of her Reply Comments alleging three deficiencies in the Postal Service's calculation of cost savings and replacement cost. As explained below, these allegations are either meritless or immaterial.

**A. Nature of Alternative Service**

First, the Public Representative devotes an entire page to the presence of a blank Highway Contract Route (HCR) alternative service worksheet.<sup>2</sup> However, the Administrative Record elsewhere describes the alternative service as rural carrier service and even includes a completed rural route alternative service worksheet.<sup>3</sup> The

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<sup>1</sup> On January 24, 2012, Petitioner Paul McClung filed a Reply Brief. Except as otherwise noted herein, the Postal Service believes its previous submissions already address the subjects discussed in Mr. McClung's Reply Brief.

<sup>2</sup> Public Representative Reply Comments at 6-7.

<sup>3</sup> Administrative Record, Item No. 17, Rural Route Cost Analysis Form, at 2. See *also* Item No. 32, Invitation for Comments on the Proposal to Close the Spring Dale, WV Post Office and Extend Service by Rural Route Service; Item No. 38, Response to Comments, at 60 ("By extending the pre-existing rural route from Meadow Ridge ..."); Item No. 41, Proposal, at 2 ("The small number of customers served and minimal number of daily transactions indicate that rural route delivery will continue to provide a maximum

Postal Service has already explained the erroneous inclusion of the HCR worksheet, added an explanatory memorandum to the Administrative Record,<sup>4</sup> and clarified that the actual alternative service costs shown in the Proposal and Final Determination were based on that calculation of rural carrier service, not Highway Contract Service.<sup>5</sup>

## **B. Cost of Alternative Service**

The Public Representative derides as “essentially unusable” the actual alternative service cost worksheet, because the number of additional boxes was not multiplied by the minutes required to serve the pertinent box type.<sup>6</sup> However, recalculation of the alternative service cost would not have a significant impact on the overall cost savings. Even assuming that all 48 boxes were regular Non-L route boxes, which receive the highest time allotment and are therefore the most expensive, the total annual cost for alternative service would increase by \$2,804.67 (= [48 boxes x 2.00 minutes x 52 weeks / 60 minutes] x \$33.71), for a total annual cost of \$6,464.77. Such a conservatively high estimate would nonetheless be dwarfed by the estimated cost savings of \$55,598.00 demonstrated in the Administrative Record.

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degree of effective and regular service to the Spring Dale community.”); *id.* at 7 (“While online you may notify the Meadow Bridge Post Office that you have packages for pick-up. The Rural route delivery driver will pick them up while in the performance of their rounds.”); *id.* at 8 (“By extending the pre-existing rural route from Meadow Bridge...”); Item No. 49, Final Determination, at 2, 6, 8.

<sup>4</sup> United States Postal Service Notice of Supplemental Filing, PRC Docket No. A2012-68, January 11, 2012. The Public Representative nominally acknowledges this filing, PR Reply Comments at 1 fn.3, but fails either to heed or otherwise respond to it in the substance of her comments.

<sup>5</sup> United States Postal Service Comments Regarding Appeal, PRC Docket No. A2012-68, January 9, 2012, at 2 fn.3. Administrative records supporting final determinations routinely assume some understanding of retail and delivery operations; however, that does not mean that all observers necessarily share that understanding. While HCR and rural carrier service can provide equivalent service, what is utilized in a given context typically depends upon a variety of local factors, such as how service in and near the studied service area is being provided at the time of the discontinuance study.

<sup>6</sup> PR Reply Comments at 7-8.

Elsewhere in her Reply Comments, the Public Representative notes that the calculation accounts for 48 additional boxes, although there are currently 88 Post Office box customers at the Spring Dale Post Office.<sup>7</sup> The Public Representative implicitly assumes, without pointing to supporting record evidence, that all customers will necessarily migrate to replacement service via carrier service. That the Postal Service declined to assume an extraordinary adoption of replacement carrier service does not render its *estimate* unreasonable. Even if all of Spring Dale's current Post Office box customers were hypothetically to choose carrier service, however, this would only raise the total cost for alternative service to \$11,267.77 (= [(88 x 2.11) + (88 x 2.00)<sup>8</sup> + (2 x 12)] x (52 / 60) x 33.71). Implementation of the Final Determination would still save \$44,330.23 per year (= \$55,598.00 - \$11,267.77).

### **C. Classification of Postmaster**

Finally, the Public Representative claims that the amount of Workload Service Credit (WSC) calculated for the Spring Dale Post Office should qualify it for a part-time EAS-Level E postmaster, not the full-time EAS-11 postmaster that last filled the position. Accordingly, the Public Representative argues that the cost savings should be estimated on the basis of the lower EAS-Level E salary.<sup>9</sup> The Postal Service is not, however, obligated to reclassify Post Offices and postmasters' pay before considering the closure or consolidation of a Post Office.

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<sup>7</sup> *Id.* at 4 fn.11.

<sup>8</sup> In the interest of illustrating its point, the Postal Service is assuming the highest possible allotment of minutes per box, hence cost, as discussed in the preceding paragraph. The actual allotment and cost could be lower.

<sup>9</sup> *Id.* at 8-10, 20.

It should also be noted that the postmaster salary levels included in the Public Representative's Reply Comments are those in effect as of December 27, 2003.<sup>10</sup> The Public Representative does not account for the intervening eight years of salary increases. Thus, even if the Public Representative's approach were warranted (which it is not), the estimate of projected cost savings would be higher than the Public Representative's Reply Comments would suggest. Moreover, the Final Determination would continue to reap substantial savings even under the Public Representative's approach.

## **II. Community and Service Issues**

The Public Representative begins her Reply Comments with an unattributed description of the Spring Dale area's terrain, climate, and driving habits,<sup>11</sup> and goes on to stud them with hearsay from unnamed persons about snow conditions, medications, and even mailing activity that purports to undermine the Postal Service's standardized window transaction survey.<sup>12</sup> The Public Representative does not cite any evidence supporting her descriptions in the Administrative Record, in a pleading on record, or in a public source of which the Commission may take official notice.

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<sup>10</sup> *Id.* at 10, 20.

<sup>11</sup> *Id.* at 2.

<sup>12</sup> *Id.* at 4. See also *id.* at 4 fn.11, 5 fn.14 (purporting to describe mailers' business operations, revenue, and mail spending without any evidentiary source, much less one in the administrative record to which the Commission's review is tied). With regard to the window transaction survey, it should be noted that the survey is just a snapshot of actual activity at a point in time. No attempt is warranted or made to control for unusual levels of activity of local events, let alone seasonality. In any event, the daily number of transactions, drawn from actual use of the facility, is a snapshot of real activity rather than the sole factor informing the Final Determination; it is merely one of many facts considered. Furthermore, the revenue trend at the Spring Dale Post Office shows a clear downward trend, despite increases in rates, thereby enabling management to assess customer demand and usage on a trend line basis.

The Public Representative also makes much of Spring Dale customers' representations about the degree to which snow and snowplowing obstruct access to roadside mailboxes, concluding that such conditions render rural carrier service an unsafe and inadequate alternative.<sup>13</sup> Snow conditions undoubtedly affect mail delivery in large sections of the nation; equally without doubt is that such conditions are manageable and managed throughout the nation. In any event, it is not apparent what material difference they make in this case. At issue here is the decision to close the Spring Dale Post Office and provide rural carrier service as an alternative for current Post Office box customers. On the same days when local customers may be snowed in and unable to access roadside boxes near their house, it is unlikely that they would be able to make it to the Spring Dale Post Office and avail themselves of continued access to their Post Office boxes. The Public Representative has not pointed to any record evidence or other indication that reliance upon rural carrier service would disenfranchise current Spring Dale Post Office box customers on snow days *to a greater degree than is currently the case.*

Finally, the Public Representative addresses the demographic data that the Postal Service considered in the Administrative Record with the bald, unelaborated suspicion that the data are "certain to be unreliable."<sup>14</sup> The Postal Service used standard demographic data of the same nature and source that the Commission has seen in several other Administrative Records.<sup>15</sup> These data formed the basis for part of

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<sup>13</sup> *Id.* at 3.

<sup>14</sup> *Id.* at 12.

<sup>15</sup> *E.g.*, PRC Docket No. A2011-91, Administrative Record, Item No. 16, Community Fact Sheet, at 2 (filed October 12, 2011) (West Stockholm, NY, Post Office); PRC Docket No. A2011-94, Administrative Record,

the Postal Service's Final Determination. The Public Representative has offered no contrary data or factual basis to rebut the validity in the Postal Service's data. Contrary to the Public Representative's apparent views, the Commission should not overturn the Postal Service's Final Determination merely because of a gut reaction to the information included in the record.

The explanations herein do not alter the fundamental validity of the Postal Service's analysis and decision, as set forth in the administrative record and the Postal Service's comments. Accordingly, the Commission should affirm the Final Determination to discontinue the Spring Dale Post Office.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Anthony F. Alverno  
Chief Counsel, Global Business & Service  
Development

Jacob Howley  
Attorney

475 L'Enfant Plaza, S.W.  
Washington, D.C. 20260-1137  
(202) 268-8917; Fax -5628  
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Item No. 16, Community Fact Sheet, at 2 (filed October 13, 2011) (Auburn, WV, Post Office); A2011-96, Administrative Record, Item No. 16, Community Fact Sheet, at 2 (filed October 13, 2011) (West Leyden, NY, Post Office); A2012-8, Administrative Record, Item No. 16, Community Fact Sheet, at 2 (filed October 21, 2011) (Rhodell, WV, Post Office).