

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;  
Nanci E. Langley, Vice Chairman;  
Mark Acton; and  
Robert G. Taub

Mountain City Post Office  
Mountain City, Nevada

Docket No. A2012-70

ORDER AFFIRMING DETERMINATION

(Issued March 5, 2012)

I. INTRODUCTION

On December 15, 2011, the Postal Service advised the Commission that it “will delay the closing or consolidation of any Post Office until May 15, 2012.”<sup>1</sup> The Postal Service further indicated that it “will proceed with the discontinuance process for any Post Office in which a Final Determination was already posted as of December 12, 2011, including all pending appeals.” *Id.* It stated that the only “Post Offices” subject to closing prior to May 16, 2012 are those that were not in operation on, and for which a Final Determination was posted as of, December 12, 2011. *Id.* It affirmed that it “will not close or consolidate any other Post Office prior to May 16, 2012.” *Id.* at 2. Lastly,

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<sup>1</sup> United States Postal Service Notice of Status of the Moratorium on Post Office Discontinuance Actions, December 15, 2011, at 1 (Notice).

the Postal Service requested the Commission “to continue adjudicating appeals as provided in the 120-day decisional schedule for each proceeding.” *Id.*

The Postal Service’s Notice outlines the parameters of its newly announced discontinuance policy. Pursuant to the Postal Service’s request, the Commission will fulfill its appellate responsibilities under 39 U.S.C. § 404(d)(5).

On November 15, 2011, Becky Goff (Petitioner Goff) filed a petition with the Commission seeking review of the Postal Service’s Final Determination to close the Mountain City, Nevada post office (Mountain City post office).<sup>2</sup> Additional petitions for review were received from the Customers of Mountain City Post Office (Petitioner Customers of MC) and the Elko County Board of Commissioners (Elko County Board).<sup>3</sup> The Final Determination to close the Mountain City post office is affirmed.<sup>4</sup>

## II. PROCEDURAL HISTORY

On December 1, 2011, the Commission established Docket No. A2012-70 to consider the appeal, designated a Public Representative, and directed the Postal Service to file its Administrative Record and any responsive pleadings.<sup>5</sup>

On November 30, 2011, the Postal Service filed the Administrative Record with the Commission.<sup>6</sup> On December 9, 2011, the Postal Service filed a Notice of Filing

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<sup>2</sup> Petition for Review received from Becky Goff regarding the Mountain City, NV post office 89831, November 15, 2011 (Goff Petition).

<sup>3</sup> Petition for Review received from the Customers of Mountain City Post Office regarding the Mountain City, NV post office, 89831, November 15, 2011 (Customers of MC Petition); Notice of Intervention received from the Elko County Board of Commissioners regarding the Mountain City, NV post office, 89831, November 22, 2011 (Elko County Board Appeal).

<sup>4</sup> The Commission is divided equally, 2-2, on the outcome of this appeal. In the absence of a majority, the Final Determination stands.

<sup>5</sup> Order No. 1014, Notice and Order Accepting Appeal and Establishing Procedural Schedule, December 1, 2011.

<sup>6</sup> The Administrative Record is attached to the United States Postal Service Notice of Filing, November 30, 2011 (Administrative Record). The Administrative Record includes, as Item No. 45, the Final Determination to Close the Mountain City, NV Post Office and Continue to Provide Service by Independent Post Office (Final Determination).

Corrected Administrative Record.<sup>7</sup> The Postal Service also filed comments requesting that the Commission affirm its Final Determination on January 9, 2012.<sup>8</sup>

Petitioners filed a participant statement supporting their Petition.<sup>9</sup> On January 31, 2012, the Public Representative filed reply comments.<sup>10</sup>

### III. BACKGROUND

The Mountain City post office provides retail postal services and service to 30 post office box customers. Final Determination at 2. Thirteen delivery customers are served through this office. The Mountain City post office, an EAS-55 level facility, provides retail service from 8:30 a.m. to 1:30 p.m. Monday through Friday, and 9:00 a.m. to 1:00 p.m. Saturday. Lobby access hours are 24 hours Monday through Saturday. *Id.*

The postmaster position became vacant on August 30, 2008, when the Mountain City postmaster was promoted. A non-career officer-in-charge (OIC) was installed to operate the office. Retail transactions average 42 transactions daily (46 minutes of retail workload). Post office receipts for the last 3 years were \$5,911 in FY 2008; \$4,645 in FY 2009; and \$3,585 in FY 2010. There are no permit or postage meter customers. *Id.* By closing this office, the Postal Service anticipates savings of \$39,421 annually. *Id.* at 6.

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<sup>7</sup> United States Postal Service Notice of Filing Corrected Administrative Record- [Errata], December 9, 2011. Citations in this Order are to the corrected Administrative Record. On January 9, 2012, the Postal Service filed a Notice of Supplemental Filing which corrects the Administrative Record by noting that the Postal Service would incur an additional cost of \$4,028 if customers of Mountain City opt for street delivery. United States Postal Service Notice of Supplemental Filing, January 9, 2012 (Supplemental Filing).

<sup>8</sup> United States Postal Service Comments Regarding Appeal, January 9, 2012 (Postal Service Comments).

<sup>9</sup> Participant Statement received from Mountain City Citizens, December 23, 2011 (MCC Participant Statement).

<sup>10</sup> Public Representative Comments, January 31, 2012 (PR Comments).

After the closure, retail services will be provided by the Owyhee post office located approximately 10 miles away.<sup>11</sup> Delivery service will be provided by highway contract route service through the Owyhee post office. The Owyhee post office is an EAS-13 level office, with retail hours of 9:00 a.m. to 1:00 p.m., and 2:00 p.m. to 5:00 p.m. Monday through Friday, and 10:00 a.m. to 12:00 p.m. Saturday. *Id.* at 2. Ten post office boxes are available. *Id.* The Postal Service will continue to use the Mountain City name and ZIP Code. *Id.* at 2-3, Concern No. 4.

#### IV. PARTICIPANT PLEADINGS

*Petitioners.* Petitioners oppose the closure of the Mountain City post office. Petitioners raise concerns regarding the effect the closing will have on residents. Goff Petition at 3; Elko County Board Appeal at 1. Petitioners are also concerned about the validity of the economic savings calculations and factual errors contained in the Final Determination. Goff Petition at 2; MCC Participant Statement at 1.

*Postal Service.* The Postal Service argues that the Commission should affirm its determination to close the Mountain City post office. Postal Service Comments at 2. The Postal Service believes that the appeal raises six main issues: (1) the effect on postal services; (2) the impact on the Mountain City community; (3) the economic savings; (4) the effect on employees; (5) factual errors in the Final Determination; and (6) an allegation of a failure to provide substantial evidence in support of the Final Determination. *Id.* at 1. The Postal Service asserts that it has given these and other statutory issues serious consideration and concludes that the determination to discontinue the Mountain City post office should be affirmed. *Id.* at 2.

The Postal Service explains that its decision to close the Mountain City post office was based on several factors, including:

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<sup>11</sup> *Id.* at 2. MapQuest estimates the driving distance between the Mountain City and Owyhee post offices to be approximately 12.9 miles (17 minutes driving time).

- the postmaster vacancy;
- a minimal workload and low office revenue;
- a variety of other delivery and retail options (including the convenience of Highway Contract delivery and retail service);
- little recent growth in the area;
- minimal impact on the community; and
- expected financial savings.

*Id.* at 4. The Postal Service contends that it will continue to provide regular and effective postal services to the Mountain City community when the Final Determination is implemented. *Id.*

The Postal Service also asserts that it has followed all statutorily required procedures and has addressed the concerns raised by Petitioners regarding the effect on postal services, the effect on the Mountain City community, economic savings, and the effect on postal employees. *Id.* at 14.

*Public Representative.* The Public Representative concludes that the Postal Service failed to follow applicable procedures and rendered a decision that is not substantially supported by the evidence. PR Comments at 1. She argues that the decision of the Postal Service to close the Mountain City post office should be remanded for the following reasons: (1) the Postal Service violated 39 U.S.C § 101(b) when it closed the Mountain City post office solely for running at a deficit; (2) the Postal Service has not considered the discontinuance's effect on postal service to the Mountain City community; and (3) the economic savings reported by the Postal Service are inflated and unsupported by the record. *Id.* at 2-3, 10-11.

## V. COMMISSION ANALYSIS

The Commission's authority to review post office closings is provided by 39 U.S.C. § 404(d)(5). That section requires the Commission to review the Postal Service's determination to close or consolidate a post office on the basis of the record

that was before the Postal Service. The Commission is empowered by section 404(d)(5) to set aside any determination, findings, and conclusions that it finds to be (a) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law; (b) without observance of procedure required by law; or (c) unsupported by substantial evidence in the record. Should the Commission set aside any such determination, findings, or conclusions, it may remand the entire matter to the Postal Service for further consideration. Section 404(d)(5) does not, however, authorize the Commission to modify the Postal Service's determination by substituting its judgment for that of the Postal Service.

A. Notice to Customers

Section 404(d)(1) requires that, prior to making a determination to close any post office, the Postal Service must provide notice of its intent to close. Notice must be given 60 days before the proposed closure date to ensure that patrons have an opportunity to present their views regarding the closing. The Postal Service may not take any action to close a post office until 60 days after its determination is made available to persons served by that post office. 39 U.S.C. § 404(d)(4). A decision to close a post office may be appealed within 30 days after the determination is made available to persons served by the post office. *Id.* § 404(d)(5).

The record indicates the Postal Service took the following steps in providing notice of its intent to close. On April 28, 2011, the Postal Service distributed questionnaires to customers regarding the possible change in service at the Mountain City post office. Final Determination at 2. A total of 43 questionnaires were distributed to customers. Other questionnaires were made available at the retail counter. A total of 15 questionnaires were returned. *Id.* On May 17, 2011, the Postal Service held a community meeting at the courthouse to address customer concerns. *Id.* Thirty customers attended. *Id.*

The Postal Service posted the proposal to close the Mountain City post office with an invitation for comments at the Mountain City and Owyhee post offices from June

17, 2011 through August 18, 2011. *Id.* The Final Determination was posted at the same two post offices from October 14, 2011 through November 15, 2011.

Administrative Record, Item No. 46.

The Postal Service has satisfied the notice requirements of 39 U.S.C. § 404(d).

#### B. Other Statutory Considerations

In making a determination on whether or not to close a post office, the Postal Service must consider the following factors: the effect on the community; the effect on postal employees; whether a maximum degree of effective and regular postal service will be provided; and the economic savings to the Postal Service. 39 U.S.C.

§ 404(d)(2)(A). The Postal Service must also comply with the provisions of 39 U.S.C. § 101(b), which prohibits closing any small post office solely for operating at a deficit.

*Effect on the community.* Mountain City, Nevada is an unincorporated community located in Elko County, Nevada. Final Determination at 5. The community is administered politically by Town Council. Police protection is provided by the Elko Nevada Police Department. Fire protection is provided by the Mountain City Fire Department. The community is comprised of farmers, retirees and those who work in local businesses or commute to work in nearby communities. *Id.* Residents may travel to nearby communities for other supplies and services. *See generally* Administrative Record, Item No. 22 (returned customer questionnaires and Postal Service response letters).

As a general matter, the Postal Service solicits input from the community by distributing questionnaires to customers and holding a community meeting. The Postal Service met with members of the Mountain City community and solicited input from the community with questionnaires. In response to the Postal Service's proposal to close the Mountain City post office, customers raised concerns regarding the effect of the closure on the community. Their concerns and the Postal Service's responses are summarized in the Final Determination. Final Determination at 5.

The Public Representative asserts that the Postal Service failed to consider customer concerns and the effect of the discontinuance on Mountain City residents. PR Comments at 6-8. Petitioners contend that the discontinuance of the Mountain City post office will cause hardship on senior citizens, the disabled, and other residents. Goff Petition at 3, MCC Participant Statement at 1-2. In response, the Postal Service explains that carrier service is beneficial to those that face special challenges because it allows customers to obtain some retail and postal services without traveling to the post office. Postal Service Comments at 9.

The Commission finds that the Postal Service has adequately considered the effect of the post office closing on the community as required by 39 U.S.C. § 404(d)(2)(A)(i).

*Effect on employees.* The Postal Service states that the Mountain City postmaster was promoted on August 30, 2008 and that an OIC has operated the Mountain City post office since then. Final Determination at 2. It asserts that after the Final Determination is implemented, the temporary OIC may be separated and that no other Postal Service employee will be adversely affected. *Id.*

The Postal Service has considered the possible effects of the post office closing on the OIC and has satisfied its obligation to consider the effect of the closing on employees at the Mountain City post office as required by 39 U.S.C. § 404(d)(2)(A)(ii).

*Effective and regular service.* The Postal Service contends that it has considered the effect the closing will have on postal services provided to Mountain City customers. Postal Service Comments at 5. It asserts that customers of the closed Mountain City post office may obtain retail services at the Owyhee post office located 10 miles away.

Final Determination at 2. Delivery service will be provided by highway contract route service through the Owyhee post office. *Id.*<sup>12</sup>

The Postal Service states that “[c]ustomers may elect to continue Post Office box service at the Owyhee Post Office, or receive delivery and retail service through Highway Contract Route service to roadside mailboxes located close to customers’ residences.” Postal Service Comments at 3, citing Administrative Record, Item No. 33 at 2-6. In response to Petitioner Goff’s concern that there is an insufficient number of boxes at the Owyhee post office to accommodate Mountain City customers, the Postal Service states that “the discontinuance coordinator has . . . a number of options – including transfer of the Mountain City Post Office Boxes to the Owyhee Post Office....” *Id.* at 8.

For customers choosing not to travel to the Owyhee post office, the Postal Service explains that retail services will be available from the carrier. *Id.* at 5. The Postal Service adds that it is not necessary to meet the carrier for service for most transactions. *Id.*

Petitioners raise concerns about the delivery and security of their mail. MCC Participant Statement at 1; Customers of MC Peititon at 1. The Postal Service explains that Highway Contract service delivers to curbside boxes or cluster box units. Postal Service Comments at 7. In addition, the Postal Service explains that delivery of accountable items or large parcels will be delivered to the customer’s residence. *Id.* However, the Postal Service states that if the customer is not at home at the time of delivery, a notice will be left in their mailbox. *Id.* The Postal Service also asserts that Highway Contract carriers are trained to handle money orders and stamp transactions effectively and responsibly. *Id.* at 7-8.

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<sup>12</sup> The Final Determination states that delivery and retail services will be provided by an independent post office under the administrative responsibility of the Owyhee post office, while the proposal states that that delivery and retail services will be provided by highway contract route service under the administrative responsibility of the Owyhee post office. *Compare* Final Determination at 2, 7 with Administrative Record No. 33 at 2, 8. Because both the proposal and Final Determination state that delivery and retail services after the closing will originate from the Owyhee post office, the change is not substantive.

Petitioners are concerned about a possible interruption of mail delivery due to inclement weather. MCC Participant Statement at 1. The Postal Service contends that guidelines for mailbox placement ensure that weather will have a minimal impact on mail delivery. Postal Service Comments at 7.

The Commission concludes that the Postal Service has considered the issues raised by customers concerning effective and regular service as required by 39 U.S.C. § 404(d)(2)(A)(iii).

*Economic savings.* The Postal Service estimates total annual savings of \$39,421. Final Determination at 6. It derives this figure by summing the following costs: postmaster salary and benefits (\$33,221) and annual lease costs (\$6,200). *Id.* The Postal Service's estimate did not include any cost for replacement service if customers of Mountain City opt for street delivery.<sup>13</sup>

Petitioners and the Public Representative contend that the estimated economic savings of the Postal Service are inflated. Customers of MC Petition at 1; PR Comments at 10. Petitioners and the Public Representative assert that the Postal Service misrepresented the estimated savings by calculating the salary and benefits of the Mountain City postmaster, instead of using the current and presumably lower salary of the current OIC. Customers of MC Petition at 1; PR Comments at 10.

The Public Representative also raises concerns regarding the expense that the Postal Service will incur for the transfer of post office boxes to the Owyhee post office to accommodate a potential shortage of post office boxes. *Id.* She contends that these expenses were not included in the Postal Service's estimated economic savings.<sup>14</sup>

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<sup>13</sup> In its Supplemental Filing, the Postal Service corrected the Administrative Record by noting that it would incur an additional cost of \$4,028 if customers of Mountain City opt for street delivery. See n.3, *supra*.

<sup>14</sup> *Id.* In its comments, the Postal Service addressed Petitioner Goff's concern about the number of post office boxes available at the Owyhee post office. It states that the issue was not raised in the record, but that the discontinuance coordinator may elect to transfer post office boxes from Mountain City if necessary to meet the demand. Postal Service Comments at 9. If that were to occur, the Postal Service would incur a one-time expense that would reduce estimated net savings.

The Mountain City post office postmaster was promoted on August 30, 2008. Final Determination at 2. The post office has since been staffed by a OIC who, upon discontinuance of the post office, will return to his/her duties at a nearby post office. The postmaster position and the corresponding salary will be eliminated. See, e.g., Docket No. A2011-67, United States Postal Service Comments Regarding Appeal, October 24, 2011, at 10; and Docket No. A2011-68, United States Postal Service Comments Regarding Appeal, November 2, 2011, at 13. Furthermore, notwithstanding that the Mountain City post office has been staffed by an OIC for approximately 3.5 years, even assuming the use of the presumably lower OIC salary, the cost for highway contract service, and the one time cost of moving post office boxes, the Postal Service would have satisfied the requirements of section 404(d)(2)(A)(iv).

The Postal Service has satisfied the requirement that it consider economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv).

*Section 101(b)*. Section 101(b) prohibits closing any small post office solely for operating at a deficit. Petitioners and the Public Representative allege that the Postal Service is closing the Mountain City post office solely for economic reasons. MCC Participant Statement at 1; PR Comments at 2-3.

To be sure, economics plays a role in the Postal Service's decision. However, the Commission is not prepared to conclude that the Postal Service's determination violates section 101(b). In addition to considering workload at the Mountain City post office (revenues declining and averaging only 42 retail transactions per day), the Postal Service took into account other factors such as the postmaster vacancy, the minimal impact on the community, and expected financial savings. In addition, it considered the alternate delivery and retail options available to customers. Final Determination at 3.

The Postal Service did not violate the prohibition in section 101(b) on closing the Mountain City post office solely for operating at a deficit.

## VI. CONCLUSION

The Postal Service has adequately considered the requirements of 39 U.S.C. § 404(d). Accordingly, the Postal Service's determination to close the Mountain City post office is affirmed.<sup>15</sup>

*It is ordered:*

The Postal Service's determination to close the Mountain City, Nevada post office is affirmed.

By the Commission.

Shoshana M. Grove  
Secretary

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<sup>15</sup> See footnote 4, *supra*.

## DISSENTING OPINION OF CHAIRMAN GOLDWAY

While the Postal Service may consider various service options during the course of a closure review, the Final Determination should provide clarity and substantial assurance to customers of what service will be provided to them, a point my colleagues and I have made in previous cases.

Because this clarity is lacking in this instance, I would remand this decision to close the Mountain City post office. Different portions of the Administrative Record contain contradictory and ambiguous information about the substitute postal service to be provided to the community. The April 28, 2011 letter to customers discusses provision of Highway Contract Route (HCR) service. The Community Meeting Analysis document references a customer concern about services that would be available from a Community Post Office. In July 2011, the Postal Service distributed the "Proposal to Close the Mountain City, NV Post Office and Establish Service by Highway Contract Route." Administrative Record (AR), Item No. 33. In October 2011, the Postal Service issued a "Final Determination to Close the Mountain City, NV Post Office and Continue to Provide Service by Independent Post Office." AR, Item No. 44.<sup>1</sup>

Similarly, the Commission has often expressed a concern -- and I have consistently expressed the concern -- that the maintenance of adequate service requires providing an adequate number of post boxes in the receiving facility. The Mountain City post office serves 30 post office box customers. The administrative receiving office in Owyhee has only 10 post office boxes available. While the Postal Service may transfer post office boxes to the Owyhee post office, the Final Determination does not contain sufficient assurances of how service will be provided if

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<sup>1</sup> It is unclear whether the term "Independent Post Office" refers to the establishment of a Community Post Office in or near Mountain City, or whether it instead refers to the administrative receiving office in Owyhee, or neither.

even a fraction of existing box customers wish to continue to receive post office box service in the substitute location, and the Commission must rely on the Administrative Record for its decision.

For both reasons, the record does not show that the Postal Service has sufficiently considered the issues raised by customers concerning the provision of effective and regular service as required by 39 U.S.C. § 404(d)(2)(A)(iii).

The Administrative Record is also inaccurate with regard to economic savings. As such, the Postal Service has not adequately considered economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv).

The Postal Service argues that savings should be calculated based on a full-time postmaster's salary. Yet the Mountain City post office has been operated by a non-career officer-in-charge (OIC) since the former postmaster was promoted on August 30, 2008. On the one hand, the Postal Service argues that the effect on employees of this closing will be minimal because only an OIC will be eliminated; yet on the other hand, it argues that the savings should be calculated using a full-time postmaster position.

A non-career OIC has been in place for more than three years. Given this extended period of time, and the Postal Service's current financial difficulties, it is clear that the Postal Service has no obligation to maintain a full-time postmaster in small facilities such as Mountain City. Upon closure of the facility, the Postal Service may, at most, avoid continuing to pay the OIC level salary.

The Postal Service already claims billions of dollars in savings from reducing labor costs. I believe the savings from substituting OICs in postmaster positions throughout the nation have already been included in those billions. There are inherent and blatant contradictions in the Administrative Record that must be corrected on remand.

In addition, the economic analysis identified in the Final Determination does not account for the costs of replacement rural or contract delivery service for the 30 customers currently provided post office boxes.

It is not the statutory responsibility of the Commission to correct the Administrative Record for the Postal Service and certainly not to make its own surmise about what and/or whether there would be savings if accurate data were in the Administrative Record. Therefore, the decision to close should be remanded to the Postal Service to correct the Administrative Record and present a more considered evaluation of potential savings.

I am also concerned about the distances between the Mountain City post office and those that are offered as substitutes. The Owynee post office is 12.9 driving miles distant, but there is some indication that many residents of Mountain City live in locations that would make their driving distance further, some significantly further. Several members of Congress have publicly expressed concern that post offices that are 10 miles apart should be maintained in rural areas. The Postmaster General has expressed interest in finding other ways to serve such distant post offices rather than close them altogether. This closing should be reconsidered within the context of the policies now being developed regarding distant rural post offices.

Moreover, the Postal Service recently announced a moratorium on post office closings. It is confusing and perhaps unfair to require some citizens whose post offices have received a discontinuance notice as of December 12, 2011 to gather evidence and pursue an appeal to the Commission, while others whose post offices were in the review process, but had not yet received a discontinuance notice by December 12, 2011, have the respite of a 5-month moratorium and the opportunity to have further consideration of alternatives by the Postal Service.

The citizens of Mountain City, Nevada and their concerns regarding the loss of a neighborhood post office should be afforded the same opportunity to be heard and considered as the citizens of the approximately 3,700 post offices fully covered by the moratorium.

Ruth Y. Goldway

## DISSENTING OPINION OF VICE CHAIRMAN LANGLEY

The Postal Service did not adequately consider the economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service should take into consideration that a non-career postmaster relief (PMR) has been in charge of this facility for nearly 5 years, since August 2008, not an EAS-55 postmaster, and reflect the PMR's salary and benefits in its cost savings analysis.

In addition, the current lease does not terminate until January 31, 2015, and does not have a 30-day termination clause. Administrative Record, Item No. 18. The Postal Service should note that any savings from the lease will not be realized for nearly 3 years. As a government entity, the Postal Service should ensure that its cost/benefit analysis accurately identifies capturable cost savings and does not overstate savings.

The Postal Service also did not adequately consider the effects on the community and whether the closing is consistent with the Postal Service's provision of "a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post office are not self-sustaining" as required by 39 U.S.C. § 404(d)(2)(A)(i) and (iii). The Final Determination indicates that the Mountain City post office has 30 post office box holders, while the Owyhee post office has 10 post office boxes available. Final Determination at 2. In addition, Petitioners and a respondent to the Postal Service's Customer Questionnaire indicate that there are no post office boxes to rent at the Owyhee post office. Administrative Record, Item No. 21. Should all the Mountain City post office box holders rent boxes at the Owyhee post office, there would be a shortage of either 30 or 20 post office boxes.

Furthermore, it appears the Administrative Record does not does not take into consideration the cost for providing the replacement service given that there are currently 30 post office box holders that may convert to highway contract delivery. The Postal Service filed an Addendum to the Administrative Record indicating that there would be a cost incurred if the customers of Mountain City elect to have street delivery.

Postal Service Addendum at 2. The Addendum seeks to add post-record information for the Commission's consideration on appeal. However, by statute, the Commission may only consider "the record before the Postal Service in the making of such determination[s]." 39 U.S.C. § 404(d)(5). The Postal Service should adjust the economic savings to reflect the cost of replacement service, which surely must be greater than \$0.

I find that the Administrative Record evidence does not support the Postal Service's decision to discontinue operations at the Mountain City post office and should be remanded.

Nanci E. Langley