



May 9, 2012

The Honorable Bruce Braley
House of Representatives
Washington, DC 20515-1501

Dear Congressman Braley:

The United States Postal Service is committed to serving rural America and to preserving the role of the Postal Service in every American community. As such, I am writing to introduce an important new strategy of the Postal Service that is designed to preserve the majority of rural Post Offices.

Within the framework of our comprehensive five-year plan, we have continued to refine our approach with regard to rural Post Offices. We have done so as a result of listening carefully to the views of Congress, our customers, and the communities we serve.

The Postal Service intends to provide communities with an important alternative to the potential consolidation of rural Post Offices, which we believe will result in very few Post Offices being consolidated in the future. By matching daily window hours to daily foot traffic for many Post Offices, we believe the Postal Service can achieve its cost-reduction goals stated in our *Five-Year Business Plan* and continue to maintain Post Offices in nearly every community.

As background, in July 2011, the Postal Service communicated to all members of Congress its intent to conduct studies of approximately 3,700 Post Offices, stations, and branches to determine whether discontinuance and/or conversion to forms of alternative access was appropriate, given factors such as low workload, insufficient customer demand, and/or availability of alternatives. The studies were part of a nationwide effort to realign and reduce the operating costs of the existing postal retail network of 32,000 Post Offices.

Since that time, the Postal Service has conducted thousands of public meetings to solicit input from communities throughout America about these possible Post Office studies. Many customers expressed their concerns and told the Postal Service of their strong preference for maintaining the current Post Office structure. We have also heard from Members of Congress about your concerns and have formulated solutions to address these questions.

The Postal Service has sought to balance providing and preserving postal services for communities while also being responsive to the recommendations from the Office of the Inspector General (OIG), the Government Accountability Office (GAO), Congress, and our customers. As such we have developed the following strategy to better match Post Office revenues and costs, and to provide appropriate service to rural communities. Later this month, we will be asking the Postal Regulatory Commission (PRC) for an advisory opinion concerning this plan.

Preserving postal facilities by modifying existing window hours.

Under this path, access to nearly all Post Office lobbies and Post Office Boxes would continue to be available during normal business hours. Based on customer use, window hours would be modified and scheduled for each Post Office. All services currently available will continue during designated window hours.

The community will be able to provide their input in determining the schedule for these hours (for example, what time of day is optimal for hours of operation). Surveys will be sent to all homes and businesses served by the Post Office. A community meeting will then be held, and survey results will be shared at that time. This path allows the community to maintain its facility as a gathering place, preserves the ZIP Code, and maintains the community name. In addition, the Postal Service will continue to work closely with postmaster and management organizations, following all applicable guidelines to ensure that employees are fully informed and treated in a fair and equitable manner.

In the provided surveys, three additional paths will be proposed to the community, each of which might be better suited to the needs of that particular community. We intend to maintain both the community name and ZIP Code. Under these paths, existing Post Offices could be discontinued, but postal services to the community would be assured, with the community as a fully engaged partner in the effort. These include:

Merging a postal facility with a nearby full-service Post Office.

Many communities have expressed little or no objection to this path, given the close proximity of other nearby Post Offices.

Extending or expanding rural carrier delivery in communities where current service is limited to Post Office Box availability.

Under this path, rural letter carriers, who already function as "Post Offices on Wheels" would provide full-service to customers. This includes selling stamps and money orders and providing package and mailing services. This would enable some customers, especially those in rural communities, to gain home delivery where it is not currently available.

Engaging a local business or government office to establish a Village Post Office (VPO).

With this path, customers would gain the convenience of having up to 12 hours of daily service, seven days a week, during which time they can purchase stamps, mail packages, and collect Post Office Box mail. Community names and ZIP Codes would also be preserved. While some communities may wish to have a partner-operated Village Postal Office replace an existing Post Office, the Postal Service could also explore supporting communities that would prefer to have both operating concurrently. The Postal Service supports this idea as a cost-effective way of providing greater access and service.

While the three paths listed above for discontinuance of postal facilities are available, the Postal Service is making the commitment that low-activity Post Offices, especially those in rural America, will remain open with reduced hours unless:

- Every path has been carefully evaluated with community input.
- A community has expressed a strong preference for one of the other alternative paths.
- At least one of the paths above has been provided.

In September 2011, I testified before the Senate Committee on Homeland Security and Governmental Affairs about the Postal Service's plan to examine approximately 15,000 Post Offices. Since that time, we have actually looked at 17,000 locations and believe we need to reduce hours at approximately 13,000 Post Offices. A list of offices in your state or district which the Postal Service proposes to operate for less than eight hours per day is enclosed. There are some facilities which have already been studied and which are no longer in operation, and these facilities will remain closed.

This plan, which will be considered by the PRC, is simply a refinement of our efforts to capture cost savings and sustain the Postal Service, ensuring we can attain the goals set forth in our comprehensive plan to place the Postal Service on a strong financial footing. Once the program is completed, the Postal Service estimates annual savings of \$500 million. To ensure a smooth and measured transition, this plan will be implemented over a two-year period, using a multi-phased approach. The Postal Service has listened and will continue to listen to the customers served by our facilities. The next step in carrying forward this proposal is to continue informing and educating the public, customers, employees, mailers, and Members of Congress.

In addition, the Postal Service will soon file this proposal with the PRC, which has its own timeline for review.

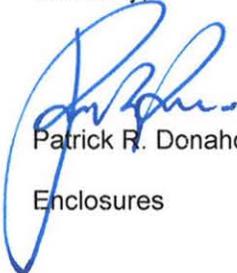
In the coming months, the Postal Service will begin its process for reengaging communities, in order to present these options, gather the input of customers, and make reasonable and responsible decisions. As part of this engagement, the Postal Service will also encourage local businesses in rural communities to consider operating a Village Post Office—even in communities that prefer to retain their current Post Office. Using a multi-phased approach, it is expected that full implementation of these proposals would be completed in the fall of 2014.

An additional proposal, designed to continue addressing the Postal Service's workforce, was also announced today. A voluntary early retirement incentive for the nation's more than 21,000 non-executive career postmasters is being offered. Postmasters accepting the offer will receive two payments—\$10,000 on December 31, 2012, and \$10,000 on December 30, 2013, less withholdings and taxes. Part-time career postmasters will receive prorated payments on the same dates. Postmasters will have until June 22, 2012, to accept the offer and agree to leave the Postal Service by July 31, 2012.

We are committed to implementing this new plan in a responsible and fair manner, and we believe the proposals described here will ensure the preservation of postal facilities and services, especially in rural communities.

More information and details will be forthcoming, and the Postal Service will host a Webinar on these proposals on Thursday, May 10, at 3 p.m. [EST]. Your postal staffer will be receiving an invitation to this Webinar. We look forward to communicating about this plan and our progress in the coming weeks and months. Please contact your Government Relations Representative with any questions or comments.

Sincerely,



Patrick R. Donahoe

Enclosures

U.S. House of Representatives
Proposed Hours of Operation

ZIP	Office	State	Current Hours of Operation	*Proposed Hours of Operation	Member of Congress
52701-9000	ANDOVER PO	IA	6	2	Bruce L. Braley
52030-4400	ANDREW PO	IA	8	4	Bruce L. Braley
50604-7705	APLINGTON PO	IA	8	6	Bruce L. Braley
50605-8402	AREDALE PO	IA	6	2	Bruce L. Braley
50607-9756	AURORA PO	IA	8	4	Bruce L. Braley
52207-4400	BALDWIN PO	IA	8	4	Bruce L. Braley
52032-4400	BERNARD PO	IA	8	6	Bruce L. Braley
52210-9760	BRANDON PO	IA	8	4	Bruce L. Braley
52728-9000	BUFFALO PO	IA	8	6	Bruce L. Braley
52729-9000	CALAMUS PO	IA	8	4	Bruce L. Braley
52212-4400	CENTER JUNCTION PO	IA	8	4	Bruce L. Braley
52731-9686	CHARLOTTE PO	IA	8	4	Bruce L. Braley
52135-4400	CLERMONT PO	IA	8	4	Bruce L. Braley
52035-4400	COLESBURG PO	IA	8	6	Bruce L. Braley
52223-9602	DELHI PO	IA	8	6	Bruce L. Braley
52037-4400	DELMAR PO	IA	8	4	Bruce L. Braley
50623-5000	DEWAR PO	IA	8	4	Bruce L. Braley
52745-7711	DIXON PO	IA	8	4	Bruce L. Braley
52746-7725	DONAHUE PO	IA	8	4	Bruce L. Braley
50625-1035	DUMONT PO	IA	8	6	Bruce L. Braley
52038-4400	DUNDEE PO	IA	8	4	Bruce L. Braley
50626-9514	DUNKERTON PO	IA	8	4	Bruce L. Braley
52141-9334	ELGIN PO	IA	8	6	Bruce L. Braley
52046-9318	FARLEY PO	IA	8	6	Bruce L. Braley
52047-4400	FARMERSBURG PO	IA	8	4	Bruce L. Braley
50631-5000	FREDERIKA PO	IA	8	4	Bruce L. Braley
52049-4400	GARNAVILLO PO	IA	8	6	Bruce L. Braley
50634-7726	GILBERTVILLE PO	IA	8	4	Bruce L. Braley
52750-9655	GOOSE LAKE PO	IA	8	4	Bruce L. Braley
52751-9000	GRAND MOUND PO	IA	8	4	Bruce L. Braley
52050-4400	GREELEY PO	IA	8	4	Bruce L. Braley
52147-4400	HAWKEYE PO	IA	8	4	Bruce L. Braley
50641-9504	HAZLETON PO	IA	8	6	Bruce L. Braley
52053-9321	HOLY CROSS PO	IA	8	4	Bruce L. Braley
52237-7769	HOPKINTON PO	IA	8	4	Bruce L. Braley
50647-7738	JANESVILLE PO	IA	8	6	Bruce L. Braley
52054-4400	LA MOTTE PO	IA	8	4	Bruce L. Braley
50650-9041	LAMONT PO	IA	8	6	Bruce L. Braley
52756-9998	LONG GROVE PO	IA	8	6	Bruce L. Braley
52254-9696	LOST NATION PO	IA	8	4	Bruce L. Braley
52757-9000	LOW MOOR PO	IA	8	4	Bruce L. Braley
52156-4400	LUANA PO	IA	8	4	Bruce L. Braley
52056-4400	LUXEMBURG PO	IA	8	4	Bruce L. Braley
52158-4400	MARQUETTE PO	IA	8	4	Bruce L. Braley
52305-8800	MARTELLE PO	IA	8	4	Bruce L. Braley
50654-8533	MASONVILLE PO	IA	4	2	Bruce L. Braley
50655-7655	MAYNARD PO	IA	8	4	Bruce L. Braley
52758-9000	MCCAUSLAND PO	IA	8	4	Bruce L. Braley
52157-4400	MCGREGOR PO	IA	8	6	Bruce L. Braley
52064-4400	MILES PO	IA	8	4	Bruce L. Braley

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ZIP	Office	State	Current Hours of Operation	*Proposed Hours of Operation	Member of Congress
52309-9498	MONMOUTH PO	IA	8	4	Bruce L. Braley
50660-9706	NEW HARTFORD PO	IA	8	4	Bruce L. Braley
52765-9000	NEW LIBERTY PO	IA	8	4	Bruce L. Braley
52065-7734	NEW VIENNA PO	IA	8	4	Bruce L. Braley
52320-9612	OLIN PO	IA	8	4	Bruce L. Braley
52321-7605	ONSLow PO	IA	8	4	Bruce L. Braley
52323-7585	OXFORD JUNCTION PO	IA	8	4	Bruce L. Braley
50666-7730	PLAINFIELD PO	IA	8	4	Bruce L. Braley
52767-9000	PLEASANT VALLEY PO	IA	8	4	Bruce L. Braley
52768-9772	PRINCETON PO	IA	8	6	Bruce L. Braley
52326-9719	QUASQUETON PO	IA	8	4	Bruce L. Braley
50667-7727	RAYMOND PO	IA	8	4	Bruce L. Braley
50668-7733	READLYN PO	IA	8	6	Bruce L. Braley
52329-9802	ROWLEY PO	IA	8	4	Bruce L. Braley
52330-8586	RYAN PO	IA	8	4	Bruce L. Braley
52070-4400	SABULA PO	IA	8	6	Bruce L. Braley
52071-4400	SAINT DONATUS PO	IA	6	2	Bruce L. Braley
52072-4400	SAINT OLAF PO	IA	6	2	Bruce L. Braley
50670-7780	SHELL ROCK PO	IA	8	6	Bruce L. Braley
52073-9564	SHERRILL PO	IA	6	4	Bruce L. Braley
52075-4400	SPRINGBROOK PO	IA	6	2	Bruce L. Braley
52166-4400	ST LUCAS PO	IA	6	4	Bruce L. Braley
52169-4400	WADENA PO	IA	8	4	Bruce L. Braley
52171-9463	WAUCOMA PO	IA	8	4	Bruce L. Braley
52777-7702	WHEATLAND PO	IA	8	6	Bruce L. Braley
50682-7705	WINTHROP PO	IA	8	6	Bruce L. Braley
52078-9677	WORTHINGTON PO	IA	8	4	Bruce L. Braley
52362-7703	WYOMING PO	IA	8	6	Bruce L. Braley
52079-7719	ZWINGLE PO	IA	8	4	Bruce L. Braley