



May 9, 2012

The Honorable Scott Tipton  
House of Representatives  
Washington, DC 20515-0603

Dear Congressman Tipton:

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
80469-9997	PHIPPSBURG PO	CO	8	4	Scott Tipton
81241-9990	PITKIN PO	CO	8	2	Scott Tipton
81430-9997	PLACERVILLE PO	CO	8	4	Scott Tipton
81331-9997	PLEASANT VIEW PO	CO	8	4	Scott Tipton
81243-9705	POWDERHORN PO	CO	6	6	Scott Tipton
80473-9997	RAND PO	CO	8	2	Scott Tipton
81431-9997	REDVALE PO	CO	8	4	Scott Tipton
81332-9901	RICO PO	CO	8	4	Scott Tipton
81148-9100	ROMEO PO	CO	8	4	Scott Tipton
81149-9990	SAGUACHE PO	CO	8	6	Scott Tipton
81152-9990	SAN LUIS PO	CO	8	6	Scott Tipton
81151-2064	SANFORD PO	CO	8	6	Scott Tipton
81248-9990	SARGENTS PO	CO	8	2	Scott Tipton
81433-9997	SILVERTON PO	CO	8	6	Scott Tipton
81653-9800	SLATER PO	CO	4	2	Scott Tipton
81434-9997	SOMERSET PO	CO	8	4	Scott Tipton
81077-9900	SWINK PO	CO	8	4	Scott Tipton
80479-9997	TOPONAS PO	CO	4	2	Scott Tipton
81334-9801	TOWAOC PO	CO	8	4	Scott Tipton
81081-9990	TRINCHERA PO	CO	4	2	Scott Tipton
81155-9990	VILLA GROVE PO	CO	8	4	Scott Tipton
81091-9900	WESTON PO	CO	8	4	Scott Tipton
81253-9511	WETMORE PO	CO	8	4	Scott Tipton
81527-9997	WHITEWATER PO	CO	8	4	Scott Tipton
81656-9997	WOODY CREEK PO	CO	8	6	Scott Tipton
80483-9997	YAMPA PO	CO	8	4	Scott Tipton
81335-9997	YELLOW JACKET PO	CO	8	4	Scott Tipton

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Proposed Hours of Operation

ZIP	Office	State	Current Hours of Operation	*Proposed Hours of Operation	Member of Congress
81020-9900	AGUILAR PO	CO	8	6	Scott Tipton
81210-9990	ALMONT PO	CO	8	4	Scott Tipton
81121-9801	ARBOLES PO	CO	8	4	Scott Tipton
81410-9997	AUSTIN PO	CO	8	6	Scott Tipton
81022-8700	AVONDALE PO	CO	8	6	Scott Tipton
81411-9807	BEDROCK PO	CO	4	2	Scott Tipton
81023-9741	BEULAH PO	CO	8	6	Scott Tipton
81123-9173	BLANCA PO	CO	8	4	Scott Tipton
81025-9900	BOONE PO	CO	8	6	Scott Tipton
81027-9901	BRANSON PO	CO	6	6	Scott Tipton
81320-9800	CAHONE PO	CO	8	4	Scott Tipton
81124-9990	CAPULIN PO	CO	8	2	Scott Tipton
81126-9990	CHAMA PO	CO	8	6	Scott Tipton
81128-9990	CHROMO PO	CO	8	4	Scott Tipton
81220-9990	CIMARRON PO	CO	8	4	Scott Tipton
80428-9997	CLARK PO	CO	8	6	Scott Tipton
81222-9990	COALDALE PO	CO	8	4	Scott Tipton
81624-9997	COLLBRAN PO	CO	8	6	Scott Tipton
81129-9990	CONEJOS PO	CO	8	4	Scott Tipton
81414-9997	CORY PO	CO	8	4	Scott Tipton
81223-9990	COTOPAXI PO	CO	8	6	Scott Tipton
80434-9901	COWDREY PO	CO	6	2	Scott Tipton
81630-9997	DE BEQUE PO	CO	8	6	Scott Tipton
81610-9997	DINOSAUR PO	CO	8	4	Scott Tipton
81325-9997	EGNAR PO	CO	6	2	Scott Tipton
81040-9900	GARDNER PO	CO	8	6	Scott Tipton
81522-9997	GATEWAY PO	CO	8	6	Scott Tipton
81326-7808	HESPERUS PO	CO	8	6	Scott Tipton
81046-9990	HOEHNE PO	CO	6	2	Scott Tipton
81136-9990	HOOPER PO	CO	8	4	Scott Tipton
81138-9990	JAROSO PO	CO	4	2	Scott Tipton
81049-9900	KIM PO	CO	8	6	Scott Tipton
81420-9996	LAZEAR PO	CO	6	2	Scott Tipton
81327-9997	LEWIS PO	CO	8	4	Scott Tipton
81524-9997	LOMA PO	CO	8	6	Scott Tipton
81525-9743	MACK PO	CO	8	4	Scott Tipton
81141-9990	MANASSA PO	CO	8	6	Scott Tipton
81058-9900	MANZANOLA PO	CO	8	4	Scott Tipton
81329-9997	MARVEL PO	CO	8	4	Scott Tipton
81640-9997	MAYBELL PO	CO	8	6	Scott Tipton
81642-9997	MEREDITH PO	CO	4	2	Scott Tipton
81643-9900	MESA PO	CO	8	6	Scott Tipton
81330-9500	MESA VERDE PK PO	CO	8	2	Scott Tipton
81143-9802	MOFFAT PO	CO	8	4	Scott Tipton
81646-9997	MOLINA PO	CO	8	2	Scott Tipton
81146-9990	MOSCA PO	CO	8	4	Scott Tipton
81422-9997	NATURITA PO	CO	8	6	Scott Tipton
81426-9900	OPHIR PO	CO	8	4	Scott Tipton
81429-9802	PARADOX PO	CO	6	2	Scott Tipton
81239-9605	PARLIN PO	CO	8	2	Scott Tipton

\*This is preliminary data that requires additional review, analysis, and verification, and is subject to change.