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December 5, 2023

Mr. Louis DeJoy
Postmaster General
United States Postal Service
475 L'Enfant Plaza, S.W.
Washington, D.C. 20260

Dear Postmaster General DeJoy:

I write to request details about the U.S. Postal Service's (USPS) planned and ongoing implementation of changes to its network, including additional information on the scope of these plans and their associated impacts. I urge the Postal Service to fully study the impacts of its plans, provide transparency, and comply with oversight from the Postal Regulatory Commission (PRC) and USPS Office of Inspector General (OIG). In line with the Postal Service's mission of reliably serving every community, it is essential to ensure full transparency about these plans and ensure any changes will not adversely impact service.

USPS previewed potential changes to network in its ten-year strategic plan ("Delivering for America") and subsequent communications.¹ Since then, USPS has gradually released additional details about a long-term plan for changes to its nationwide processing and delivery operations network (hereinafter "the Network Plan"), and has begun to implement changes including moving processing operations within and between facilities. The plan includes moving local processing operations in some areas from "Delivery Units" (often co-located with post offices) into new and more centralized "Sorting and Delivery Centers," as well as transferring some operations at regional facilities (particularly package processing) to nearby facilities, with the stated goal of improving efficiency and service. USPS has said this plan will not entail closure of post offices or result in employee layoffs, and has committed to not reducing any retail services.²

¹ U.S. Postal Service, *Delivering for America: Our Vision and Ten-Year Plan to Achieve Sustainability and Service Excellence*, at 11 (Mar. 23, 2021) (about.usps.com/what/strategic-plans/delivering-for-america/assets/USPS_Delivering-For-America.pdf); U.S. Postal Service, *Video and Transcript of Postmaster General Louis DeJoy's Keynote Address During the 2022 National Postal Forum* (May 18, 2022) (<https://about.usps.com/newsroom/national-releases/2022/0518-video-and-transcript-of-pmg-louis-dejoys-keynote-address-during-2022-national-postal-forum.htm>).

² U.S. Postal Service, *Delivering for America: Second-Year Progress Report*, at 15-19 (Apr. 27, 2023) (about.usps.com/what/strategic-plans/delivering-for-america/assets/usps-dfa-two-year-report.pdf).

USPS indicated it would study and continuously monitor the impacts of initial changes before moving forward with the plan.³ However, USPS has already moved forward with changes to over 25 facilities and is studying more than 160 facilities for future changes.⁴ These changes are occurring at an accelerated pace, with new details emerging intermittently for USPS customers and employees. I am concerned about the pace of these changes and urge USPS to provide full transparency on its plans moving forward. It is essential that USPS study and disclose details about the impacts of any changes, including impacts on service. I urge the Postal Service to fully study the impacts of early facility changes before moving forward with plans. I also urge USPS to fully cooperate with oversight of its network plans, including the PRC's and OIG's independent inquiries.⁵

I request that USPS respond to the following questions by February 5, 2024, to provide additional transparency on the Network Plan and its impacts:

1. Please explain in detail how USPS has assessed the projected service impacts of these network changes. USPS has said it holistically evaluated various factors and data prior to executing each facility change. How is the Postal Service studying potential or projected service impacts before execution of each facility change?
 - a. Please provide details on any data that support the service projections. Explain in detail which data USPS has analyzed prior to executing changes and provide examples.
2. Please explain how much time USPS has taken to evaluate actual service impacts at facilities where USPS implemented changes. USPS indicated that it has collected service performance data at facility sites after implementing changes.⁶ Please send available service performance data for implemented sites.
 - a. USPS implemented 14 Sorting and Delivery Center (S&DC) facilities by June 2023, and 7 more by September (3 months later). It appears the time between

³ U.S. Postal Service, *Responses of the United States Postal Service to Questions 1-5 of Chairman's Information Request No. 1*, Docket No. PI2023-4, Postal Regulatory Commission (July 19, 2023).

⁴ USPS has implemented over 25 "Sorting and Delivery Centers," began "Mail Processing Facility Review" studies for over 13 other facilities ("Local Processing Centers"), and has stated it is evaluating over 100 more; there is no centralized USPS public reporting mechanism for updates. *Delivering for America: Second-Year Progress Report*, *supra* note 2, at 16-18; U.S. Postal Service, *Industry Alert: Postal Service Launches Seven New Sorting and Delivery Centers* (Sept. 1, 2023) (<https://postalpro.usps.com/node/12455>); U.S. Postal Service, Mail Processing Facility Reviews (<https://about.usps.com/what/strategic-plans/mpfr/welcome.htm>) (accessed Oct. 19, 2023).

⁵ Postal Regulatory Commission, PRC Initiates Public Inquiry Proceeding to Gather Information on Changes to the Postal Network (Apr. 20, 2023); USPS Office of Inspector General, *Review of USPS Sorting and Delivery Centers Opened in Quarters 1 and 2 of FY 2023* (23-062-R23) (Sept. 12, 2023).

⁶ U.S. Postal Service, Responses to questions from Homeland Security and Governmental Affairs Committee staff (Aug. 2023) (copy on file with Committee).

rounds of implemented sites is too short to draw statistically meaningful conclusions about the extent of the service impacts. Why has USPS moved forward with additional rounds of S&DC implementation, before receiving more service data to make conclusions about past rounds?

3. USPS has stated the overall goal of this plan is to achieve service excellence and financial sustainability.⁷ How is USPS calculating any associated financial impacts of these facility changes (new costs and savings), and how is it measuring projections against results? Please explain the methodology used and factors analyzed.
4. Why has USPS not released a full list of facilities under review for possible future changes (including for S&DCs, Local Processing Centers, and Regional Processing & Distribution Centers)?
 - a. Please provide a full list of all facilities USPS is targeting for implementation in 2024, including those still under review, and expected timelines for continued study.
5. Please provide a complete list of all impact studies USPS has completed on its Network Plan as a whole, including service impacts, community impacts, and employee impacts.
6. In deciding where to move forward with plans, USPS has conducted reviews of potential facility sites, considering factors such as delivery route impacts, employee commute times, sequence of mail and package flows, staffing impacts, and financial rigor.⁸ Please provide a list of all factors USPS has studied prior to moving forward with changes.
7. How has USPS assessed the Network Plan's potential and actual impacts on employees? Please list any employee conditions USPS expects to change, as well as impact assessments USPS has completed.
 - a. USPS has committed that there will be no employee layoffs as part of its plan.⁹ Does the Network Plan assume any net impact on job numbers due to the planned changes (compared to status quo), including jobs reduced by attrition?
 - a. Changes associated with S&DCs may alter local employees' commute to work. What are the average changes in commute time for employees, and what are the outliers (range)?


⁷ Responses of the United States Postal Service to Questions 1-5 of Chairman's Information Request No. 1, *supra* note 3.

⁸ *Id.*

⁹ Delivering for America: Second-Year Progress Report, *supra* note 2.

8. USPS asserts it has communicated regularly with employee groups about its plans. It is important to involve employees in discussions of tentative plans, before such plans are final. What is the earliest notification USPS provides to local employees about a potential facility change?
 - a. USPS is currently evaluating more than 100 new S&DC locations.¹⁰ Has USPS involved employee groups in the evaluation process for these potential changes? Will USPS commit to sharing early lists of potential changes and incorporating employee groups' feedback?
9. USPS has stated that as individual facility work progresses, it may be prudent to change plans if unanticipated events develop.¹¹ How is USPS evaluating the need to change plans? Would USPS stop progression of the Network Plan and reassess if it observes unintended adverse impacts on service, customers, or employees?

Sincerely,



Gary C. Peters
Chairman

¹⁰ *Id.*

¹¹ Responses to questions from Homeland Security and Governmental Affairs Committee staff, *supra* note 6.