

**SOUTHERN AREA REPORT:
IMPROVEMENTS ON SERVICE PERFORMANCE FOR FIRST-CLASS MAIL**

Introduction:

The Southern Area, with more than 119,000 employees and approximately 32.6 million delivery points, is the largest USPS Area in the nation. The Area faces unique challenges every day as it strives to serve the 640,000 square miles of territory that make up the 12 Southern Area districts spread across eight states. Below is information on improvement efforts and plans currently in place or being implemented, to address service performance for First-Class Mail, including Single-Piece and Presort.

Internal Service Performance Measurement (SPM) Considerations:

When examining and comparing FY18 and FY19 performance results, it is both important and necessary to consider a significant change that took effect in FY19, as it relates to service performance measurement.

On July 5, 2018, the Postal Regulatory Commission (PRC) approved the Postal Service's proposal to use internal service performance measurement systems to generate data to fulfill the statutory and regulatory requirements for service performance measurement of several Market Dominant products, beginning in FY 2019, Quarter 1. This approval was conditioned upon the Postal Service continuing its external auditing program, including filing each audit report with the Commission within 60 days of each applicable reporting quarter. Also, the first annual compliance report based on data from the internal service performance measurement systems must contain an explanation of any significant discrepancies between the new versus legacy systems, where appropriate.

Specifically, data generated from the internal systems will replace data generated by the legacy EXFC system for First-Class Mail Single-Piece Letters/Postcards and single-piece First-Class Mail Flats. The internal systems measure service performance for these mailpieces in three independent segments: First Mile (measures the time from collection to the first mail processing operation); Processing Duration (measures the time between the first processing operation to the last processing operation); and Last Mile (measures the time between the last processing operation and final delivery).

It is important to note, when comparing the legacy EXFC system and the new SPM system, the differences in the sample size of test pieces. The EXFC system used a comparatively small sample of test mailpieces, and then extrapolated that information to make estimates for mail volumes as a whole. The internal SPM leverages the fact that much of today's mail is barcoded and can be tracked on automation equipment. Because of this barcoding capability, the SPM system can track a significantly larger volume of mail than EXFC. In its initial report describing the SPM, the Postal Service stated that implementation of SPM would increase the number of pieces in measurement – moving from a seed/sample system to more of a census-measurement system. Statistics from Qtr. IV, FY 18 showed that the EXFC system sampled, for that three-month period, 2.7 million pieces, while the internal SPM sampled, during the same time frame, 22.7 million pieces.

Additionally, data generated from the internal system for measuring the Last Mile segment will replace data generated by the legacy system of using external, third-party reporters to record

delivery (via an IMb scan) of First-Class Mail Presorted Letters/Postcards, presort First-Class Mail Flats, Periodicals, USPS Marketing Mail letter-shaped and flat-shaped pieces, and Bound Printed Matter Flats.

On November 5, 2018, the Commission conditionally approved modifications to the Postal Service Market Dominant service performance measurement systems. This approval was conditioned upon the Postal Service making certain corrections to its documentation, or providing explanations for why those corrections were not necessary. On December 27, 2018, the Commission issued an order acknowledging that the Postal Service had satisfied the directives appearing in Order No. 4872 and provided instructions concerning future filings.

SECTION I: Evaluation of FY 2019 efforts

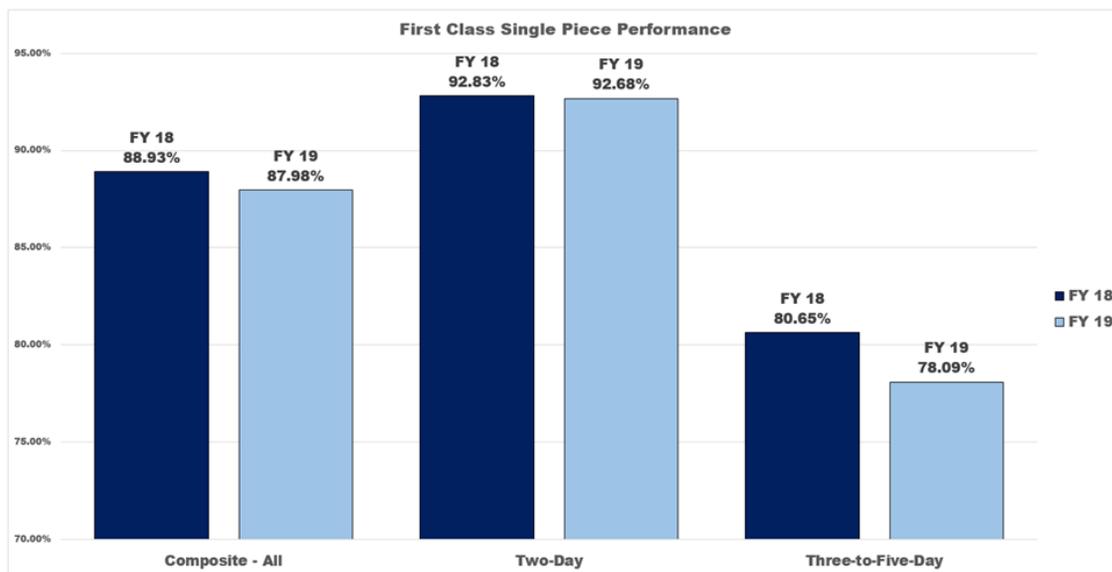
This section provides a synopsis of Southern Area initiatives focused on First-Class Mail (Single-Piece and Presort) service performance improvements. The information covers the Top Five root causes of service performance failures, provides a discussion of progress made to address the root cause, and includes a summary on root causes for which minimal or no progress has been made, along with a detailed explanation. For additional information on non-recurring (isolated) events which impacted service, see Appendix A.

2018 Top 5 root causes/failure types for Southern Area are (ranked in order):

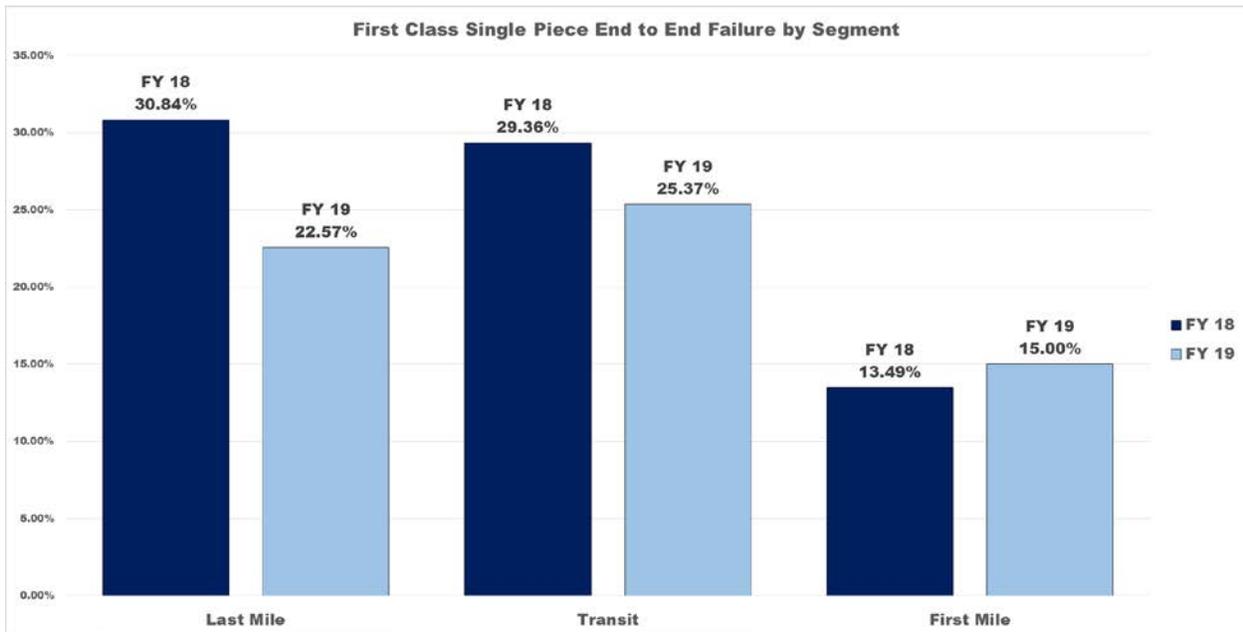
1. Last Mile
2. Transit
3. First Mile
4. Origin Processing
5. Destination Processing

The graphs shown below illustrate previous on-time service performance for First-Class Mail in both Single-Piece and Presort for the Southern Area:

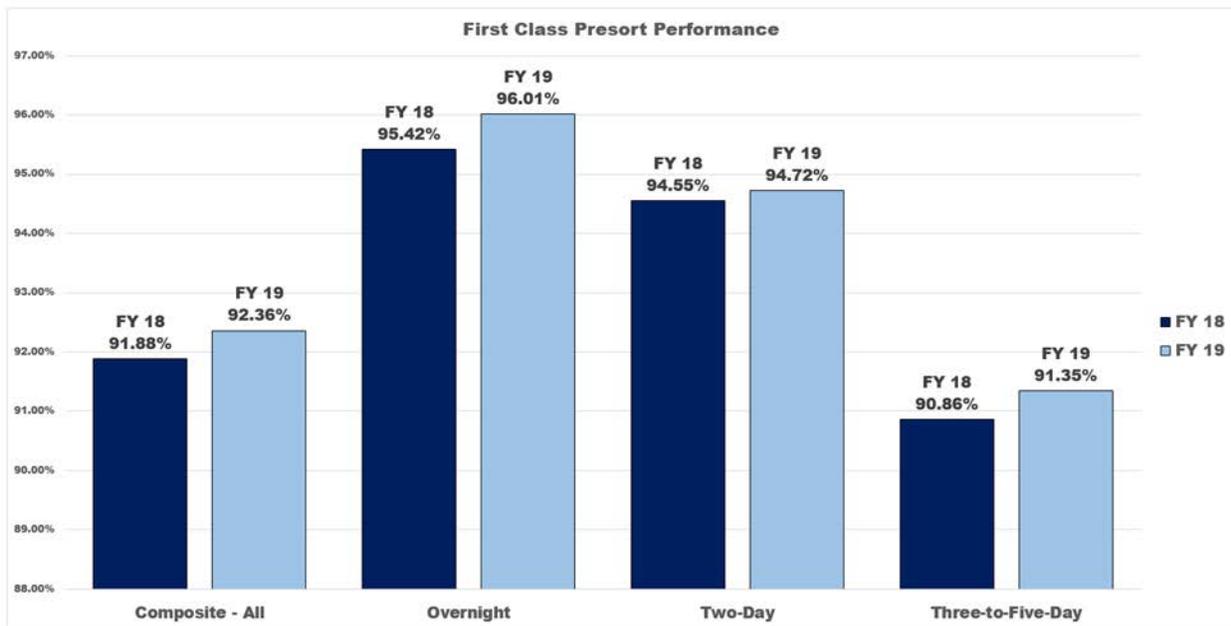
First-Class Mail (Single-Piece) – On-Time Service Performance



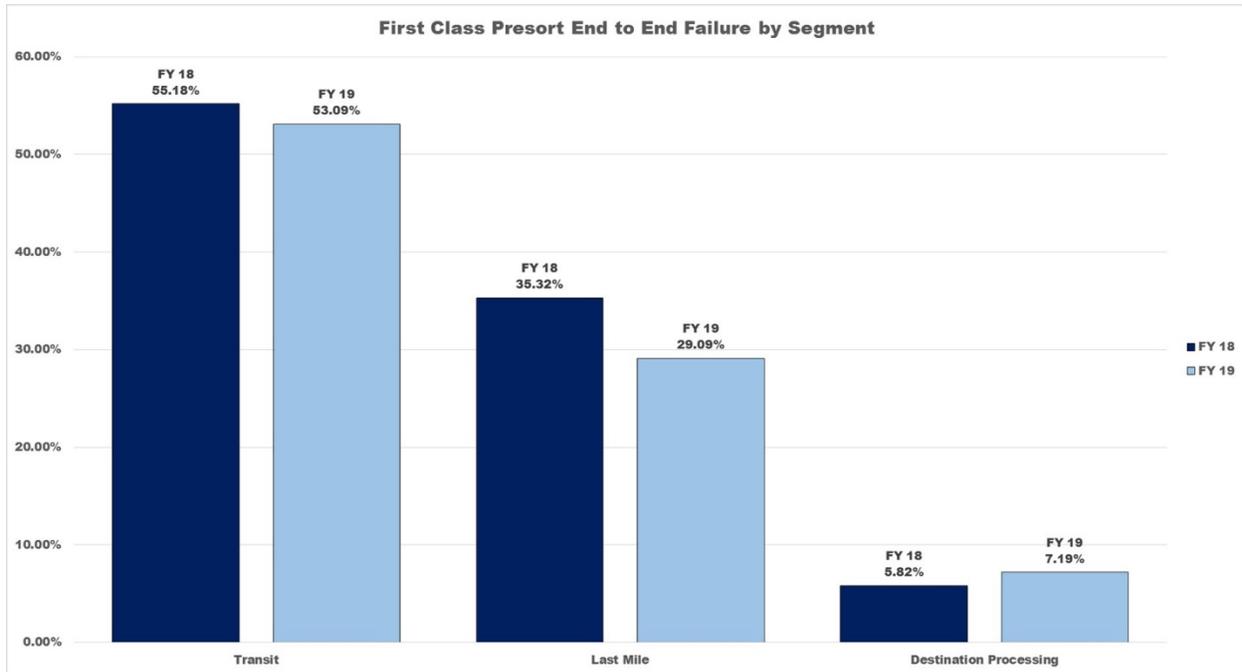
First-Class Mail (Single-Piece) – Root Causes: Percent of Total Failures



First-Class Mail (Presort) – On-Time Service Performance



First-Class Mail (Presort) Root Causes: Percent of Total Failures



Failures Root Cause # 1: Last Mile

LAST MILE IMPACT (PRESORT AND SINGLE PIECE)				
	QTR 1	QTR 2	QTR 3	QTR4
FY18	-2.2%	-2.2%	-1.8%	-1.7%
FY19	-1.9%	-1.5%	*-1.4%	
VAR	-0.3%	-0.7%	-0.2%	

*QTR 3 thru 6/18/2019

Last Mile Impact:

In FY 2018, the Area's Last Mile impact for Single-Piece showed a negative -2.2 percent, -2.2 percent, -1.8 percent, and a -1.7 percent impact to overall on-time service performance scores by Quarters. There were residual effects stemming from both Hurricane Irma (September 2017) and Hurricane Harvey (August 2017) that continued to impact performance during the first two Quarters of FY18 (see Appendix A). Although improvements were made in FY18, the Area's Quarter IV performance was affected by issues caused by the mercury spill at the North Texas P&DC (see Appendix A).

Area leadership held weekly discussions with districts on Last Mile service improvements, addressing issues including ignored scanning, no pieces to scan, and stale mail scanning. All districts were directed to perform a Kaizen event to address their Last Mile impacts. Kaizen events are five-day observations designed to garner quick wins and to identify specific issues, in

order to put processes in place to correct any service impacts. The goal was to identify and replicate specific issues and processes that would improve the Area's overall Last Mile Impact (LMI) scores. All Kaizen events were completed by May 2019. As noted above, Last Mile impacts improved by .30 percent in Qtr. I, by .70 percent in Qtr. II, and by .20 percent in Qtr. III (through 6/18/2019).

Failures Root Cause # 2: Transit

Network Trips on Time:

In FY 2018 and FY 2019 to date, transit failure root causes represent 25 percent of the total Single-Piece failures. Trips on time problems occur when mail processing plants fail to dispatch trips on time, according to schedule. Late trips result in service failures, due to the late arrival at the destination. The Southern Area has focused on ensuring network trips are leaving on time by implementing processes – from an Area level – that help drive timely delivery. The Area has a Networks Operations Team that is involved with analyzing and reviewing delayed trips, trip routing, and efficient routing. The analysis and current reporting tools enable the Southern Area to make informed decisions on understanding trip delays when they occur, and building process controls to mitigate late trips. Since the current initiative to reduce Network late trips began in March 2019, the Southern Area has increased trips on time from 77.6 percent to 94.8 percent in June 2019.

Commercial Airline Incoming Volumes:

Commercial airline couriers are a vital component of First-Class Mail volumes arriving throughout the day and evening. The Postal Service's business partnerships with airline couriers allow for timely transport and service for these mail volumes. In 2019, new reports were developed to provide a detailed analysis of scan data for routing barcodes applied to First-Class Mail trays, tubs, and sacks transported through the airlines. This data has enabled the Postal Service to identify specific airstops and air couriers where service failures are occurring between the timely arrival and late destination processing. One common issue identified was the lack of communication to inform a local site that mail is ready to be picked up. Within the last three months, the Southern Area has held service reviews to understand these process failures, and has met with the air carriers in order to improve the tender process from couriers to the processing facilities.

Failures Root Cause # 3: First Mile

FIRST MILE IMPACT (PRESORT AND SINGLE PIECE)				
	QTR 1	QTR 2	QTR 3	QTR4
FY18	-1.8%	-0.9%	-0.5%	-0.7%
FY19	-1.5%	-0.7%	-0.5%	
VAR	-0.3%	-0.2%	0.0%	

*QTR 3 thru 6/18/2019

First Mile Impact:

For the Southern Area during FY 2018, First Mile impacts had a negative -1.8 percent, -.9 percent, -.5 percent, and -.7 percent overall impact to on-time service performance scores by Quarters. There were residual effects stemming from both Hurricane Irma (September 2017) and Hurricane Harvey (August 2017) that continued to impact performance during the first two Quarters of FY 2018 (see Appendix A). In Quarter III, service improved and then in Quarter IV,

further impacts were seen due to a mercury spill at the North Texas P&DC (see Appendix A). The entire Southern Area began working on an initiative referred to as “Mastering Monday”. In this effort, the Area created a checklist to assist the field with identifying process failures in service. The Area required all districts to utilize the Managers, Post Office Operations (MPOO), Postmasters, and Operations Support staff to review facilities each Monday, to understand and evaluate any impacts to service.

The objective of the “Mastering Monday” initiative is to lessen the impacts of Monday on overall performance. Mondays generally bring the biggest impacts to efficiency and service, due to heightened volume that is delivered coming out of a weekend. The major focal point of this initiative is assigning the disproportionate amount of mail previously delivered on Monday to other days of the week, consistent with service standards, by advancing Monday service committed mail for delivery on Saturday and holding Tuesday service committed mail for delivery on Tuesday. This levels the carrier’s workload six days per week and reduces the carrier office and street delivery time, as well as overtime. This allows customers to receive mail delivery at consistent times each day and for outgoing mail collected by carriers to be dispatched earlier to the processing plants, which improves First Mile service.

Southern Area leadership began holding First Mile telecons with the districts, utilizing Informed Visibility (IV) and addressing the Vital Few¹ locations on the telecon. The Informed Visibility system is a nimble and robust tool, designed to provide postal leadership at all levels the ability to retrieve, view, and analyze data in order to identify both areas of success and opportunity. Telecon discussions include root causes of the failures and how to prevent them. The leadership teams also continue to conduct Zero Bundle (ZB) investigations upon discovery of any failed pieces. A Zero Bundle occurs when Service Performance Measurement (SPM) tested pieces (letters in this case) are not processed on an outgoing sort plan by Noon the day after the SPM scan (scans made by clerks and carriers). In addition, letters that are transacted through the Retail Systems Software (RSS) – at Post Office retail counters – are also potentially tested for the Zero Bundle process. The Zero Bundle touch point is driven by the Southern Area and a presentation is given by any district that has a failed piece. Each district having failed pieces is required to perform a complete investigation of delivery, customer service, transportation, and plant operations to include interviews, data gathering, picture presentations, root cause analysis, and process failure breakdowns. This presentation is then followed by a Q & A, where Area leadership asks even deeper questions than were presented, and requires action items that the district develops and implements to remediate these failures in efforts to drive a full-scope investigation. As noted above, the Southern Area’s First Mile impacts were reduced in Quarters I and II by 0.3 percent and have been sustained through Qtr. III (through 6/18/2019).

Failures Root Cause # 4: Origin Processing

Outgoing Primary Clearance:

In FY 2018 and FY 2019 to date, Single-Piece Origin processing represents 8 percent and 11 percent of total failed pieces, while Presort Origin processing represents less than 1 percent of total failed pieces. Presort failures are significantly lower than Single-Piece as a result of those volumes largely bypassing origin processing, due to mailer sortation and barcoding. All Single-Piece volumes flow through Origin Processing, while Presort bypasses Origin processing. An essential element of First-Class Single-Piece mail service is ensuring the outgoing primary

¹ “Vital Few” offices are those which represent the largest impact on a specific indicator.

operations clear on time. The Southern Area Leadership team conducts a daily call each morning with district leadership, focused on the operating plan, with follow-up in the evening, which includes oversight from the Network Operations Command Centers (NOCC) to monitor clearance times. NOCCs, located in every Area and at USPS Headquarters, are in constant communication and are equipped with state-of-the-art technology, receiving real-time data as mail volume moves through the system. NOCC team members work with Area and District leadership to resolve issues in real-time. In FY 2019 to date, the Southern Area has focused on improving mail arrival from delivery units by reviewing transportation arrival times, mail arrival quality, and machine staffing. By focusing on the vital few sites, ensuring daily checklist completion and on-site service reviews, the Area continues to improve timely clearance of outgoing primary operations. In Quarters II & III, achievement of outgoing clearance by operating plan in FY 2019 has improved by 0.60 percent from FY 2018 performance.

Failures Root Cause # 5: Destination Processing

Incoming Managed Mail Processing by 1500:

The Postal Service has developed a daily operating plan, based on the 24-hour clock, in order to meet service objectives. One daily measure of progress is Managed Mail Processing (MMP) by 1500 (3:00 p.m.). Managed mail is mail received at a destination plant from another site in the country. In FY 2018 and in FY 2019 to date, destination processing has represented 8 percent and 8 percent, respectively, of the total failed pieces. Meeting operating plan clearance times is critical to a successful processing night. Southern Area leadership continues to reinforce daily to all local sites the importance of meeting these target clearance times, in order to allow successful downflow processes for delivery point sequencing (DPS) of mail. The Southern Area utilizes USPS analytics reporting tools to help identify specific sites and provide recommendations to sustain MMP clearance by 1500 hours. In Quarters II & III, achievement of managed mail clearance by 1500 in FY 2019 has improved by .50 percent from FY 2018 performance.

SECTION II: First-Class Mail Service Performance Improvement Plan

This section provides the Southern Area’s detailed plan for improving service performance for First-Class Mail (Single-Piece and Presort), with details on the specific problem to be remediated, the actions planned, and an estimate of the timeline for implementation and completion of each action.

Note: While the Area expects continuous improvement once these actions are implemented, a definitive date for completion of the various actions and expected improvements cannot be determined at this time. Depending on results, these actions may continue for the foreseeable future as best practices.

Improvement Action # 1: Last Mile

Last Mile Impact:

LAST MILE IMPACT (PRESORT AND SINGLE PIECE)				
	QTR 1	QTR 2	QTR 3	QTR4
FY18	-1.5%	-2.2%	-1.8%	-1.7%
FY19	-1.9%	-1.5%	-1.5%	
VAR	0.4%	-0.7%	-0.3%	

In order to continue to improve scores with respect to Last Mile indicators, the Area leadership team discusses performance with each district daily on its "Voice of the Process" call, and supplements that interaction with e-mails. The Voice of the Process (VOP) is a daily telecon, hosted by the Southern Area leadership team, wherein discussions are held with district leadership to address daily performance indicators. The single biggest driver around the improvement of this service centers on delivery initiative training. This includes Supervisor confidence training with sessions on scanning, service, and the tools to drive them. In addition, Supervisors throughout the Area are trained on how to utilize the Informed Visibility (IV) system to obtain their Bronze certification from the USPS Analytics University. The Analytics University group specializes in providing various levels of training and certification to drive service improvements. The Analytics University certification programs are designed to enhance the analytical skills and knowledge of analytics tools of managers and supervisors to help them manage and improve service and customer experience. The Bronze certification level ensures understanding of the Last Mile diagnostic tool, sampling dashboard, and other customer experience indicators. In the Southern Area, 4,152 Supervisors and Managers (51.3 percent) are Bronze certified, 216 are Silver certified, and 45 are Platinum certified through USPS Analytics University. In addition, specific Kaizens were performed by each district, centered around the Last Mile Impact. Kaizen events are five-day observations designed to garner quick wins and to identify specific issues, in order to put processes in place to correct any service impacts. The Area requested that local leadership replicate the findings within their districts. In addition, the Southern Area leadership team led telecons with districts whose performance indicated that they were a Vital Few office. These telecons provided training, support, and gained feedback for the units. All USPS District Managers currently have National Performance Assessment (NPA) goals linked to Last Mile, so the additional focus from their level has proved invaluable. The overall Last Mile Impact (LMI) scores comparing QTR to QTR showed that the Southern Area went from a -1.5 percent impact QTR I FY 2018 to a -1.9 percent in FY 2019. In QTR II FY 2018, the Southern Area had a -2.2 percent and in FY 2019 QTR II, the score improved to a -1.5 percent (through 6/18/2019). The leadership team has also reissued all Standard Work Instructions (SWI) for SPM, including providing videos for additional training to each district, in order to continue driving improvements. These actions have been implemented and the completion timeline is ongoing. The Southern Area expects continued improvement; implemented actions are monitored daily and weekly for timely corrections and additional countermeasures if necessary.

Improvement Action # 2: Transit

Network Trips on Time:

The Southern Area continues to manage all aspects of its network which are under the control of the leadership team, such as trips on time. In FY 2019, the Southern Area has improved Network Trips on Time as follows: YTD FY 2018 vs. YTD FY 2019 shows a 1.26 point improvement, and further, when comparing Same Period Last Year (SPLY), Qtr. III FY 2018 vs. Qtr. III FY 2019, shows a 6.49 point improvement. This has been done by requiring an after-action plan for any site that departs a late Network trip. The Southern Area has instructed its processing facilities to meet their operating plans, so that trips are not being held. Each site is required to have all available mail on the dock and ready to depart on time. Departing trips on time is responsive to DOT regulations, as it allows drivers to maintain their schedules within the driving hour regulations. These actions have been implemented and the completion timeline is ongoing. The Southern Area expects continued improvement; implemented actions are monitored daily and weekly for timely corrections and additional countermeasures if necessary.

Commercial Airline Incoming Volumes:

Commercial air carriers are a vital aspect of the USPS air network. They transport the mail volume and tender it to local freight houses, where postal transportation picks up the mail. The first initiative the Southern Area implemented was improving mail awareness at the freight houses. Ramp clerks and transportation personnel were provided with a checklist to help correctly identify and communicate when committed volume has arrived and when it is ready to go. The district transportation team reviewed its transportation schedules going both to and from the freight house, in order to streamline their routings and maximize freight house volume arrival profiles. In one of the Area's air stops, a pilot plan was developed to review and validate timely pickups, so as to reduce cycle time from the airlines to the mail processing facility. From the implementation of the seven-day freight house report in March 2019, through June 2019, the Southern Area has reduced failures from freight houses by ~61 percent.

Improvement Action # 3: First Mile

First Mile Impact:

FIRST MILE IMPACT (PRESORT AND SINGLE PIECE)				
	QTR 1	QTR 2	QTR 3	QTR4
FY18	-1.8%	-0.9%	-0.5%	-0.7%
FY19	-1.5%	-0.7%	-0.5%	
VAR	-0.3%	-0.2%	0.0%	

Southern Area leadership has continued to utilize the Zero Bundle (ZB) telecons to continually drive out potential exposure for failed pieces that are discovered. Zero Bundles occur when Service Performance Measurement (SPM) tested pieces (letters in this case) scanned by postal clerks or carriers, are not processed on an outgoing sort plan by Noon the day after the SPM scan. The single biggest driver around the improvement of this service centers on the delivery initiative training. Supervisor confidence training was included, which featured sessions on scanning, service, and tools to drive them. In addition, Supervisors throughout the Area were trained to utilize the Informed Visibility (IV) system to obtain their Bronze certification from the USPS Analytics University program. This certification ensures understanding of the First Mile diagnostic tool and the Internal SPM program. The Southern Area also began creating checklists to be used to identify breakdowns within certain processes. These checklists were used by Area, district, and unit employees in a drive to intensify operational efficiencies. Two additional issues are being addressed, with ongoing Gemba (unit) walks. "Gemba" is a Japanese term meaning "the real place", or where the work happens and where value is created. Postal leadership teams are continually encouraged to "go to Gemba" when identifying and solving issues. The two issues were: 1) Certified mail pieces that were discovered not being processed with raw mail; and 2) dispatch hygiene or integrity, where delivery is not dispatching using proper Mail Transport Equipment Labeler (MTEL) system placarding. In addition, all District Managers in the Southern Area currently have National Performance Assessment (NPA) goals linked to Last Mile; the additional focus from their level has provided great benefit.

When comparing the impacts from FY 2018 to FY 2019 (Year to Date), improvements can be seen in these results: FY 2018 QTR I -1.8 percent vs FY 2019 QTR I -1.5 percent, and in FY 2018 QTR II FY 20 18 -.9 percent versus FY 2019 QTR II -.7 percent (through 6/18/2019).

These actions have been implemented and the completion timeline is ongoing. The Southern Area expects continued improvement; implemented actions are monitored daily and weekly for timely corrections and additional countermeasures if necessary.

Improvement Action # 4: Origin Processing

Outgoing Primary Clearance:

Local First-Class Single-Piece volume is brought into a plant and run through equipment called the Advanced Facer Canceller System (AFCS) in order to sort and cancel the stamps on the letters. This first operation sets up the following required processing operations and is a key metric to ensuring a successful processing operation. The outgoing clearance from cancellations are reviewed and discussed daily. Since FY 2019 QTR II, the Southern Area has been involved in site-specific service reviews to ensure optimal processing operation flows and implementation of USPS best practices. On a daily basis, all Southern Area districts review USPS Analytics reporting tools to identify process failures and opportunities within local sites. The daily Area conference call challenges district leadership to utilize their data analysis to identify improvement opportunities and commit to an action plan for continuous improvement. These actions have been implemented and the completion timeline is ongoing. In Quarters II & III, achievement of outgoing clearance by operating plan in FY 2019 has improved by .60 percent from FY 2018 performance. The Southern Area expects continued improvement; implemented actions are monitored daily and weekly for timely corrections and additional countermeasures if necessary.

Improvement Action # 5: Destination Processing

Managed Mail Processing by 1500:

Managed Mail Processing (MMP) by 1500 (3:00 p.m.) has been addressed by having district specialists utilize Enterprise Analytics to identify missed or late-arriving mail. The USPS Enterprise Analytics team provides innovative data-driven solutions that focus on achieving end-to-end visibility to support the Postal Service and its customers. Additionally, the Southern Area ensures local sites are successful with their Run Plan Generator (RPG). RPG is a scheduled operating plan for Operations to use when processing mail. The Southern Area reviews the RPGs daily and holds local sites accountable to their plan. Within RPG, the Area will validate that sites are adhering to their plan and ensuring they have forecast projected volumes properly, using throughputs that are acceptable to meet clearance times. The Area has developed a 1500 report that identifies if a facility is not at plan and communicates the effort to get it to plan. These actions have been implemented and the completion timeline is ongoing. In Quarters II & III, achievement of managed mail clearance by 1500 in FY 2019 has improved by .50% from FY 2018 performance. The Southern Area expects continued improvement; implemented actions are monitored daily and weekly for timely corrections and additional countermeasures if necessary.

Conclusion:

The Southern Area is committed to continuous improvement, and has leveraged the knowledge, skills, and experience of its entire team, across all functional areas, to create the improvement

plan provided here. The Area's focus is relentless and expectations are high, as it continues to identify issues, develop strategies, and launch specific actions to bring about rapid and long-lasting improvements, which can be replicated across the nation. Customers deserve the best possible service and the Southern Area is committed to providing it.

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Appendix A:
Non-Recurring Events and Impacts on Service

Throughout the course of any Fiscal Year, events can occur which are deemed “non-recurring” (or isolated incidents) which are severe enough to cause disruptions to mail processing and delivery service. In its examination of performance during FY18 and FY19, the Southern Area is providing here information on several such events – a mercury spill that occurred in FY 2018, and Hurricane Michael, which struck in FY 2019, as well as Hurricanes Irma and Harvey and impacts from severe winter weather.

FY18: Mercury Spill (August 2018):

On August 7, 2018, a spill was detected at the North Texas Processing and Distribution Center (P&DC), when two packages leaked a substance later confirmed to be elemental mercury (Hg). The packages were isolated and the area was cordoned off. The Postal Service brought in specialized contractors to remediate the spill. The safety and health of employees and the mailing public were paramount to the Postal Service, which took immediate, comprehensive, and directed actions to ensure the well-being of everyone involved.

The North Texas P&DC is the second-busiest processing facility in the nation. The Postal Service made the decision to implement a controlled shutdown of the facility, in an abundance of caution and to ensure employees and the mailstream stayed safe. This included temporarily assigning North Texas P&DC employees to other facilities. In order to keep the mail moving, a plan was implemented to divert incoming mail destined for North Texas P&DC. This meant sending incoming mail to other nearby processing plants for sortation. The logistics of transportation, staffing, and mail processing operations were complex, but Southern Area team worked together to mitigate, to the extent possible, impacts to service performance.

FY 2018 Residual Impacts: Hurricanes Irma and Harvey:

Two other events brought long-lasting residual impacts to mail service performance – Hurricane Harvey and Hurricane Irma. Harvey struck in late August 2017, making landfall a total of five times, hitting parts of southern Texas, especially Houston, with record amounts of rainfall. Harvey is tied with Hurricane Katrina as the costliest storm to hit the U.S. An extremely slow-moving storm, Harvey was characterized largely by the amount of rain it brought to the southern and eastern parts of Texas. Some areas, over four days, saw rain amounts in excess of 40 inches. Houston, the 4th largest city in the nation, was hit especially hard.

Close on the heels of Harvey came Hurricane Irma, which struck Florida in September 2017. Irma was the strongest hurricane observed in the Atlantic in terms of maximum sustained winds since Wilma and the strongest storm on record to exist in the open Atlantic region. A Category 5 storm, Irma caused catastrophic damage across a wide swath of Florida.

In both instances, after the storms passed, the Postal Service deployed its highly-specialized Recovery team, as soon as it was safe to do so, in order to rapidly restore mail service to the affected areas. The recovery phase for all impacted areas, due to Harvey and Irma, lasted a

considerable amount of time, and impacts to service performance scores stretched into the first several weeks of FY 2018 (October 2017).

FY 2019: Hurricane Michael (October 2018):

In early October 2018, just as FY 2019 was beginning, Hurricane Michael hit Florida as a Category 3 storm, and was later upgraded to a Category 5. Michael was the first Category 5 hurricane to strike the contiguous United States since Andrew in 1992. In addition, it was the third-most intense Atlantic hurricane to make landfall in the contiguous United States in terms of pressure, behind the 1935 Labor Day hurricane and Hurricane Camille of 1969.

Hurricane Michael left a wide swath of devastation, especially in the northern parts of Florida and the Panhandle region of the state. This particular area comprises most of the Postal Service's Gulf Atlantic District. Power outages were widespread and lengthy and property damage was catastrophic. The Postal Service implemented its proven recovery plan, including deployment of its specialized Recovery team. The leadership team's first task, as always, focused on accounting for the safety and well-being of local postal employees. Processes were put into place to direct incoming mail to other processing facilities. Transportation routes had to be reworked, to avoid inaccessible areas. Fuel shortages were common and the Postal Service had to ensure special arrangements were made to fuel its vehicles. The USPS Facilities team identified a number of Post Offices that were damaged and in need of repair, and in many cases, mail delivery was redirected to other offices that were operational. If personnel could safely make deliveries, they did so, and where this was not possible, arrangements were made for customers to retrieve mail at nearby offices.

The impacts to service performance, due to Hurricane Michael, were significant. Recovery efforts took time and throughout Qtr. I FY 2019, the residual effects of Hurricane Michael were seen.

FY 2019: Severe Winter Weather

Isolated events can and do often occur in locations other than the immediate Southern Area, but which produce significant impacts to service performance. The Postal Service's network is vast and complex, and every location is, in some way, interconnected with every other part of the nation.

In January 2019, near the Martin Luther King holiday, the second snowstorm in two days blanketed the city of Memphis, TN with two to three inches of snow, on top of what had already fallen, including record amounts of ice. Schools were cancelled, municipal services were suspended, and most activity ground to a halt. As a major hub for not only the Postal Service but other major shipping companies, Memphis plays a large role in the postal network. Following the severe winter weather, trucks containing mail simply sat – unable to move, due to the hazardous conditions.

These delays caused a ripple effect within the Postal Service for a considerable amount of time. Mail keeps coming, regardless of backlogs or idle trucks and transportation. An unforeseen event, such as the severe winter weather in Memphis and across the Mid-South, caused service performance impacts for the Postal Service.