

## USPS Report on PRC Inquiries May 2022

The Postal Regulatory Commission referred 27 inquiries to the Postal Service in May 2022. Customers received responses on average within 5 days.

Inquiries covered various topics that fell into two main categories:

- Delivery Services 15– i.e., time of delivery, tracking inquiries
- Customer Service 11– i.e., Hours of service, Collection Boxes, Indemnity Claims
- Policies/procedures and International Inquiries 1 i.e., – Policy Related

While many of the inquiries were customer specific, the following topic are highlighted for possible interest to a larger audience.

### USPS Delivery Network Improvement Plan Offers Potential to Expand Number of Electric Vehicles in Postal Fleet

- *Delivery network and related route refinements may alter the appropriate mix of vehicles to be procured under the NGDV contract*
- *USPS will soon publish a Notice of Intent to supplement the Final Environmental Impact Statement for Next Generation Delivery Vehicles (NGDV) to determine if changes to the delivery fleet mix are warranted based upon the implementation of our delivery strategy*
- *Postal Service reiterates commitment to the fiscally responsible roll-out of electric-powered vehicles for America's largest and oldest federal fleet*

The United States Postal Service announced it will soon publish a Notice of Intent to supplement its environmental impact statement (EIS) related to its Next Generation Delivery Vehicles (NGDV) plan. The decision comes as the Postal Service accounts for expected changes following a recently announced plan to improve the Postal Service's delivery network. The plan to modernize and aggregate delivery operations will make delivery routes more efficient, which may affect the appropriate mix of vehicles to be procured for the Postal Service's delivery fleet, including NGDV.

Postmaster General and CEO Louis DeJoy laid out the framework of the USPS delivery network modernization plan at the [2022 National Postal Forum](#) on May 18. As part of the initiative, the Postal Service will aggregate much of its delivery operations into Sort and Delivery Centers, with modern building systems and adequate space, docks, conveyors, and mail, and material handling equipment to operate more efficiently while modernizing and leveraging currently underutilized plants around the nation.

“As I noted when we placed our initial NGDV delivery order, the Postal Service would continue to look for opportunities to further increase the electrification of our fleet in a responsible manner, as we continue to refine our operating strategy and implement the Delivering for America plan,” said DeJoy. “A modernized network of delivery facilities provides us with such an opportunity. This is the right approach —operationally, financially, and environmentally.”

## **Delivery Network and Route Refinements Will Improve Operations and Potentially Change Considerations for the Delivery Fleet Vehicle Mix**

Postal delivery vehicles currently operate from almost 19,000 facility locations around the country. As part of the current network, the Postal Service can have as many as 40 delivery facility locations concentrated within a ten-mile radius. Many of these buildings are in disrepair, have outdated mechanical, electrical, and plumbing systems and poor employee amenities, and they cannot accommodate our current mix of mail and packages. The number of locations also requires significant sorting operations at our plants, underutilizes numerous truckloads from plants, and diminishes the efficiency and commercial utility of our mail carrier route structure.

“We will place large carrier operations inside our unused mail processing plants, dramatically improving transportation efficiency by eliminating unnecessary trips, reducing mail handlings, increasing reliability, and decreasing time to delivery,” said DeJoy. “These changes will take years to accomplish, but each plant or delivery unit tackled will provide immediate systemwide financial and service benefits. We will have the greatest reach and be the most reliable and affordable delivery provider.”

These proposed improvements to the Postal Service’s delivery network may alter the appropriate mix of vehicles to be procured under our NGDV contract. Aggregating carrier operations will change our delivery route structure, including adding miles to most delivery routes at both the front and back end—more miles out to the delivery stops and more miles to return from the route to the Sort and Delivery Centers. It may also streamline the charging infrastructure for electric vehicles, as it would reduce the number of facilities where charging installations are needed and it would permit the upgraded electrical systems and infrastructure that are needed for the task. This available industrial infrastructure significantly reduces the risks associated with deployment of new electric vehicles to facilities with less robust infrastructure.

As part of the plan to significantly improve the delivery network, carrier operations (often co-located with Post Offices) will shift to larger, modernized facilities. This move will result in improved conditions for our carriers and fewer underutilized truck trips and will allow postal delivery routes to be revamped to make them more efficient and cost-effective. The plan will not change the Postal Service’s retail presence and will improve the Postal Service’s appeal to both small and large shippers because it will enhance our ability to reach a much broader range of businesses and consumers under our new USPS Connect suite of products.

## **Postal Service Will Supplement Environmental Impact Statement**

The Postal Service’s NGDV plan currently calls for the procurement of at least 10 percent battery electric vehicles (BEVs), but it is designed to increase the number of BEVs in the mix as financial resources become available and as the Postal Service refines our network and vehicle operating strategy. In the initial NGDV delivery order of 50,000 NGDVs, the Postal Service announced that a minimum of 10,019 vehicles (or more than 20 percent of the order) would be BEVs, based on a determination that increasing the level of BEVs made sense from an operational and financial perspective.

To examine the environmental impacts of the potential delivery network changes to our delivery fleet mix, we will soon publish a Notice of Intent to supplement the Final Environmental Impact Statement for the NGDV, pursuant to the National Environmental Policy Act. The Postal Service also intends to explore options for accelerating the production of the initial 10,019 BEVs towards the front of the production line and anticipates taking advantage of the flexibility built into the contract with Oshkosh Defense to increase the number of BEVs purchased in the initial delivery order.

## **USPS Committed To Cleaner, Safer Fleet**

As the operator of America's largest and oldest federal fleet, the Postal Service is committed to cleaner, safer vehicles for its employees. The NGDV program provides for the introduction of internal-combustion and electric-powered, purpose-built vehicles that deliver significant reductions in vehicle emissions and improvements in fuel economy versus the existing delivery vehicle fleet. The search for replacement vehicles for the Postal Service's delivery fleet, which started in 2015, resulted in the purpose-built NGDVs that will deliver air conditioning and heating, improved ergonomics, and some of the most advanced vehicle and safety technology — including 360-degree cameras, advanced braking and traction control, air bags, a front-and rear-collision avoidance system that includes visual, audio warning, and automatic braking. The vehicles will also have increased cargo capacity to maximize efficiency and better accommodate higher mail and package volumes.

NGDVs, including electric vehicles, are expected to be on Postal Service routes in late 2023.

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations