

USPS Report on PRC Inquiries December 2022

The Postal Regulatory Commission referred 36 inquiries to the Postal Service in December 2022. Customers received responses on average within 5 days.

Inquiries covered various topics that fell into two main categories:

- Delivery Services 24– i.e., time of delivery, tracking inquiries
- Customer Service 12– i.e., Hours of service, Collection Boxes, Indemnity Claims

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

USPS Intends to Deploy Over 66,000 Electric Vehicles by 2028, Making One of the Largest Electric Vehicle Fleets in the Nation

- *Postal Service anticipates increasing the quantity of purpose-built Next Generation Delivery Vehicles (NGDV) to a minimum of 60,000 of which at least 45,000 will be battery electric by 2028. NGDV acquisitions delivered in 2026 and thereafter expected to be 100% electric.*
- *Postal Service expects to purchase an additional 21,000 battery electric delivery vehicles through 2028, representing a mix of commercial-off-the-shelf (COTS) vehicles. Acquisitions delivered in 2026 through 2028 expected to be 100% electric.*
- *Feasibility of achieving 100% electrification for the overall Postal Service delivery vehicle fleet will continue to be explored.*
- *Beyond vehicle mix changes, postal network modernization efforts will drive additional substantial carbon reductions through logistics improvements and reduced transportation*
- *Total investment expected to reach \$9.6 billion including \$3 billion from Inflation Reduction Act funds.*

The United States Postal Service today announced that it expects to acquire at least 66,000 battery electric delivery vehicles as part of its 106,000 vehicle acquisition plan for deliveries between now and 2028. The vehicles purchased as part of this anticipated plan will begin to replace the Postal Service's aging delivery fleet of over 220,000 vehicles.

The Postal Service anticipates at least 60,000 Next Generation Delivery Vehicles (NGDV), of which at least 75% (45,000) will be battery electric. As part of this plan, a total of 21,000 additional commercial off-the-shelf (COTS) vehicles are also expected to be battery electric, depending on market availability and operational feasibility. The Postal Service also anticipates including internal combustion vehicles necessary to meet immediate vehicle replacement needs.

In keeping with the Postal Service's priority to provide its carriers and communities with safer, more efficient vehicles as soon as possible, these vehicles will, unlike the vehicles they are replacing, feature air conditioning and advanced safety technology and are more suited to modern day operational requirements. For any COTS vehicles purchased, the Postal Service will include a preference for domestic manufacturing.

Today's announcement is enabled by the Postal Service's overall network modernization efforts which allows for a more rapid deployment of EVs, and its improving financial condition which includes \$3 billion in congressional funding appropriated under the Inflation Reduction Act (IRA).

The Postal Service will continue to evaluate and procure vehicles over shorter time periods to be more responsive to its evolving operational strategy, technology improvements, and changing market conditions, including the expected increased availability of BEV options in the future.

Postmaster General Louis DeJoy commented, "We have a statutory requirement to deliver mail and packages to 163 million addresses six days per week and to cover our costs in doing so – that is our mission. As I have said in the past, if we can achieve those objectives in a more environmentally responsible way, we will do so."

"The Postal Service's vehicle initiative, and I personally, have benefited from the collaborative spirit of John Podesta, Senior Advisor to the President and leader of the Office of Energy Innovation, as well as leaders within the Council on Environmental Quality and the Climate Policy Office. These professionals have demonstrated a real appreciation and understanding for how vehicle electrification can be incorporated into the Postal Service's mission and transformation, while not distracting from it. In our own way we have all been faithful stewards of how IRA funding and Postal funding will be spent."

"The \$3 billion provided by Congress has significantly reduced the risk associated with accelerating the implementation of a nationwide infrastructure necessary to electrify our delivery fleet. While most of the electric vehicle funding will continue to come from Postal Service revenues, we are grateful for the confidence that Congress and the Administration have placed in us to build and acquire what has the potential to become the largest electric vehicle fleet in the nation."

"What is less widely understood is that our network modernization initiative is necessary to enable this vehicle electrification and will also provide meaningful cost and carbon reductions in other ways. A key focus of our modernization effort is to reduce inefficient transportation and improve distribution operations, resulting in far less air cargo and far fewer truck trips. When combined with our substantial commitment to the electrification of our delivery vehicles, the Postal Service will be at the forefront of our nation's green initiatives."

Ongoing Commitment to Electrifying America's Largest and Oldest Federal Fleet

The Postal Service has been steadfastly committed to the fiscally responsible and mission capable roll-out of electric-powered vehicles for America's largest and oldest federal fleet. The agency has continually assessed its capacity, financial position, and vehicle mix over the past year:

- **February 2022:** USPS completed its obligations under the National Environmental Policy Act process and issued a Record of Decision to acquire up to 165,000 NGDV, with a commitment for at least 10% BEV. This decision was expressly designed to provide the Postal Service the flexibility to acquire significantly more BEV NGDV should financial and operational circumstances permit.
- **March 2022:** USPS announced a purchase order of 50,000 NGDV from Oshkosh Defense, including 20% BEVs.

- **July 2022:** USPS announced its intent to conduct a Supplemental Environmental Impact Statement (EIS) that anticipated increasing the NGDV minimum BEV percentage to at least 50% and supplementing the NGDV order with a purchase of 34,500 COTS, so that the combined purchase would be for at least 40% BEV.
- **By May 2023:** USPS will publish for public notice and comment a Draft Supplemental EIS that will assess the potential environmental impacts of vehicle purchase alternatives, likely including those from today's announced plan.