

September 8, 2011

The Honorable Scott Walker  
Governor of Wisconsin  
115 East Capitol  
Madison, WI 53702-0100

Dear Governor Walker:

I am writing to inform you that in the coming weeks, the United States Postal Service will begin a comprehensive review of its mail processing network.

The Postal Service is facing a net loss of up to \$10 billion this year, driven by a reduction in mail volume and the changing use of the mail by the American public. Since 2006, First-Class Mail volume has fallen by approximately 26 percent. This has created significant excess capacity in the Postal Service's mail processing network. The Postal Service has reduced its number of processing facilities over the past six years—from 675 to 508. However, any meaningful additional reductions are currently foreclosed by the Postal Service's current service standards for First-Class Mail, which today range from overnight to three days.

To explore modifying the Postal Service's First-Class Mail overnight service standard, the Postal Service anticipates that it will be publishing a notice of rulemaking in the *Federal Register* in October, laying out this proposal in some detail and asking for comments from any interested party. Before doing so, we will solicit guidance from stakeholders through an advance notice of proposed rulemaking in the *Federal Register* this month.

In addition, in accordance with 39 U.S.C. § 3661, the Postal Service will be requesting a non-binding advisory opinion from the Postal Regulatory Commission (Commission) regarding any proposed service standard changes. The Commission's review process will provide interested parties an opportunity for a hearing on the record.

In preparation for this potential change, the Postal Service is embarking on an examination of its network of roughly 500 processing facilities to determine whether functions at those facilities could be effectively consolidated if the Postal Service modifies its current overnight service standard for First-Class Mail and implements other related changes. The processing facilities in your state that will be reviewed through an Area Mail Processing (AMP) study are enclosed.

Our preliminary overview of this concept shows that it can generate significant savings. While it is clear that we need Congressional action to resolve our liquidity issues, we are committed to aggressively managing our costs and eliminating excess capacity in our networks. If we determine that such a course should be followed, it will be one more step toward regaining financial stability.

Sincerely,

Ronald A. Stroman

Enclosure

September 8, 2011

The Honorable Matt Mead  
Governor of Wyoming  
200 West 24th Street  
Cheyenne, WY 82002-0010

Dear Governor Mead:

I am writing to inform you that in the coming weeks, the United States Postal Service will begin a comprehensive review of its mail processing network.

The Postal Service is facing a net loss of up to \$10 billion this year, driven by a reduction in mail volume and the changing use of the mail by the American public. Since 2006, First-Class Mail volume has fallen by approximately 26 percent. This has created significant excess capacity in the Postal Service's mail processing network. The Postal Service has reduced its number of processing facilities over the past six years—from 675 to 508. However, any meaningful additional reductions are currently foreclosed by the Postal Service's current service standards for First-Class Mail, which today range from overnight to three days.

To explore modifying the Postal Service's First-Class Mail overnight service standard, the Postal Service anticipates that it will be publishing a notice of rulemaking in the *Federal Register* in October, laying out this proposal in some detail and asking for comments from any interested party. Before doing so, we will solicit guidance from stakeholders through an advance notice of proposed rulemaking in the *Federal Register* this month.

In addition, in accordance with 39 U.S.C. § 3661, the Postal Service will be requesting a non-binding advisory opinion from the Postal Regulatory Commission (Commission) regarding any proposed service standard changes. The Commission's review process will provide interested parties an opportunity for a hearing on the record.

In preparation for this potential change, the Postal Service is embarking on an examination of its network of roughly 500 processing facilities to determine whether functions at those facilities could be effectively consolidated if the Postal Service modifies its current overnight service standard for First-Class Mail and implements other related changes. The processing facilities in your state that will be reviewed through an Area Mail Processing (AMP) study are enclosed.

Our preliminary overview of this concept shows that it can generate significant savings. While it is clear that we need Congressional action to resolve our liquidity issues, we are committed to aggressively managing our costs and eliminating excess capacity in our networks. If we determine that such a course should be followed, it will be one more step toward regaining financial stability.

Sincerely,

Ronald A. Stroman

Enclosure