THE CONTRIBUTION OF THE POSTAL SERVICE IN NATIONAL EMERGENCIES

A Case Study of its Role in Katrina
and its Emergency Preparedness Efforts

Final Report

February 14, 2011

Prepared by

Joy Leong Consulting, LLC

for

Postal Regulatory Commission

Washington, DC

PRC109909-10-Q-0021

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Since September 2001, Americans have lived under a cloud of serious threats to their personal safety and national security—from terrorist bombings, biological contaminants, and other unexpected attacks on infrastructure. Regions of the country, such as the Southeast, have also experienced natural disasters that have totally disrupted communications and commerce. In such cases, citizens in distress turn to the government to protect them and to provide timely relief in a catastrophe.

The Postal Service, often considered just the deliverer of "snail mail" in the age of the Internet, maintains a nationwide delivery network that reaches every household six days a week, 32,000 post offices in almost every neighborhood, and 623,000 trained and trusted employees. This massive infrastructure is a unique federal asset that can be called upon during a major disaster or terrorist attack when power and phone lines are useless. A vivid illustration of the value of this infrastructure to the nation is the Postal Service's contribution to the Katrina recovery efforts in 2005: The Postal Service moved quickly to reestablish communications, to reopen lines of commerce, and to deliver government information, relief checks, and medicine to hurricane victims living in makeshift shelters. Its extensive address database enabled it to locate hundreds of thousands of displaced persons so that they could be reunited with their families. The nation benefited from having a functioning, comprehensive delivery, retail, and address management infrastructure in place at the time of Katrina's landfall.

The federal government—including the President, Homeland Security, and Health and Human Services—has recognized the unique value of the postal infrastructure during national crises. As a result, the Postal Service has been assigned responsibilities to prepare for emergencies as though it were a full federal agency (despite the fact that the Postal Service is almost completely funded through its sale of postage, not through federal appropriations): The Postal Service is a designated deliverer of antibiotics to residents in 72 cities in the event of a biological attack; it processes critical mail through state-of-the-art bio-detection systems to prevent biological contamination; and it is prepared to play important roles in the National Response Framework and the National Infrastructure Protection Plan.

INTRODUCTION

The primary mission of the United States Postal Service is "to bind the nation together" through the provision of "reliable, affordable, universal mail service."[1] To accomplish this task, the Postal Service has established the largest delivery infrastructure in the world, including the second largest civilian workforce in the country and the largest civilian fleet. This infrastructure enables the Postal Service to reach every household in America six days a week. The Postal Service has become one of the most visible and the most trusted federal agency.[2]

Since the rise of the Internet, however, correspondence by mail has shifted to email, causing a dramatic decline in First-class Mail. In FY 2010, total mail volume dropped by 3.5 percent, and the Postal Service posted $8.5 billion in losses. The ensuing public policy debates about the Postal Service's future have focused primarily on redefining its business model to respond to the fast-changing communications environment. But recently, policymakers have begun to recognize that the Postal Service, with its irreplaceable national infrastructure, contributes to society in ways other than mail delivery.

---

[1] *See* 2007 USPS Comprehensive Statement on Postal Operations at http://www.usps.com/ strategicplanning/cs07/cs2007.pdf. Today, the Postal Service fulfills this mission by delivering mail six days a week to about 150 million addresses—over 170 billion pieces a year—and by providing its customers access to services at nearly 37,000 postal facilities. The size and scope of the Postal Service "show[] the vital role that mail plays in the social and economic fabric of our society." Comments of Governor Carolyn Gallagher at Board of Governors meeting, November 12, 2010.

[2] The Postal Service's unofficial motto is the inscription on the James Farley Post Office in New York City Post Office: "Neither snow, nor rain nor heat nor gloom of night stays these couriers from the swift completion of their appointed rounds."

In October 2009, the Postal Regulatory Commission awarded a scoping contract to The Urban Institute to identify Postal Service contributions—in addition to mail delivery—which benefit the nation, local communities, governmental entities, and consumers. The report described numerous social benefits in the areas of Consumer, Business, Safety and Security, Environmental, Delivery of Other Government Services, Information Exchange, Social Linkage, and Civic Pride and Patriotism.[3]

This study focuses on one particular social benefit: the role of the Postal Service in times of crisis and its ongoing efforts in preparing for such emergencies. The daily presence of the Postal Service in every community and its existing infrastructure make it ideally suited to play a key role in federal and state governments' efforts to prepare for a national emergency and to respond to natural disasters and terrorist attacks. The Postal Service is the one federal entity that can provide communications between the government and citizens and among citizens when electronic means of communication have been shut down. It is the only entity that has an addressing system in place to locate displaced persons after a natural disaster. It is the only entity with a large enough footprint and rapid regular delivery to distribute medicines to citizens within hours of a bioterrorist attack.

In fact, the Postal Service has already responded admirably to some of the nation's most challenging natural and man-made disasters. In 2005, the Postal Service provided communications and other essential services in the aftermath of Hurricanes Katrina and Rita, which knocked out other modes of communication and displaced more than one million citizens.

---

[3]   http://www.urban.org/url.cfm?ID=412097.

This study is divided into two parts: (a) a case study of the Postal Service's role in the Katrina recovery effort; and (b) the Postal Service's efforts to prepare for future emergencies, including its current work on the Cities Readiness Initiative, the Biohazard Detection System, the National Response Framework, and the National Infrastructure Protection Plan.[4]

Frequently, the vital work of the Postal Service in the areas of emergency preparedness and disaster response goes unnoticed[5] —and unreimbursed. Were the unique institution of the Postal Service to disappear and its infrastructure dismantled, there would be no entity that could immediately provide comparable essential services when urgently needed in the aftermath of a natural disaster or terrorist attack.

---

[4] The Postal Service's contribution to safety and security includes far more than its response during national emergencies. For example, letter carriers contribute to neighborhood safety by detecting and reporting security threats in the course of their daily delivery routes. The Carrier Alert Program is a cooperative community service program to monitor the well-being of elderly and disabled mail patrons. "As one of the few—and some days only—point of human contact for home-bound patrons, letter carriers are particularly attuned to signs that could mean an accident or illness. Carrier Alert, begun in 1982, is a system to tap into that sensitivity." www.NALC.org/CarrierAlert. Another example is the Postal Service's participation in the Department of Homeland Security's C-TPAT Program to prevent terrorist activity through incoming international mail and packages.

[5] For example, the federal government report on the response to Hurricane Katrina notes in passing that Postal Inspectors were deployed to the Gulf region. The exhaustive report, "The Federal Response to Hurricane Katrina: Lessons Learned," issued February 2006, does not otherwise record the Postal Service's massive efforts and invaluable role in responding to the most devastating hurricane in recent history. http://georgewbush-whitehouse.archives.gov/reports/katrina-lessons-learned/. Those efforts are detailed in Section I of this study.

I.   Case Study: The Postal Service's Contribution to the Katrina Recovery Effort

Hurricane Katrina stormed into the Gulf Coast in late August, 2005. It devastated the city of New Orleans as well as many surrounding parishes. National news coverage focused primarily on the devastation in New Orleans, but the hurricane also hammered large parts of Mississippi's Gulf Coast region and areas of South Florida. A few weeks later, Hurricane Rita pummeled the Louisiana coast as well as parts of East Texas. While not as severe as Katrina, Hurricane Rita caused further flooding and power outages in areas just beginning to deal with the effects of Katrina.

The devastation from these two hurricanes was unlike any experienced in recent U.S. history. Hurricane Katrina displaced one million people across the United States, the largest dislocation in 150 years, if not the largest ever. The storm devastated the regional power infrastructure. In Louisiana, Mississippi, and Alabama, approximately 2.5 million power customers reported outages. Communications suffered as well. The storm crippled thirty-eight 911 call centers, disrupting local emergency services; it knocked out more than 3 million customer phone lines in Louisiana, Mississippi, and Alabama. Broadcast communications were also severely affected, as 50 percent of area radio stations and 44 percent of area television stations went off the air.

With landlines down, cell phone service disrupted, and power outages rampant, establishing lines of communication became critical. It was then that the Postal Service delivered. Through the devastation and confusion, the Postal Service, with its local presence and national reach, stood out as the reliable provider of communication services to displaced citizens and the facilitator of commerce to and from the region.

This case study examines how the Postal Service's existing infrastructure benefited the nation immediately after the hurricanes and for months afterwards. For example:

- The Postal Service quickly restored its retail service in devastated areas for people urgently seeking to communicate with loved ones.

- The Postal Service moved quickly to implement routing changes to enable it to deliver mail to temporary delivery points.

- Its workforce provided valuable knowledge of the people, streets and neighborhood resources of the affected areas.

- It delivered informational flyers to disaster victims in three states (LA, MI, AL) to inform disaster victims how to request assistance.

- It moved quickly to enable communications to the Houston Astrodome, where thousands of displaced residents were housed, by establishing a unique ZIP Code for the Astrodome.

- It established emergency post offices at other temporary shelters to facilitate communications to and from displaced residents.

- It coordinated a one-time delivery of disaster assistance checks.

- It provided a visible, trusted government presence in local communities and a source of emergency information.

- It worked with the Louisiana Secretary of State's Election Division to ensure that absentee ballots were distributed and returned in a timely manner for the spring 2006 primary elections.

- It reorganized commercial mail to affected areas, halting mail to ZIP Codes that were out of service, so that businesses and nonprofit organizations would not send pieces that could not be delivered.

While the Postal Service's nationwide, but local, infrastructure made these emergency steps possible, one part of its infrastructure stood out as critical during the Katrina crisis: the Postal Service's Address Management System (AMS), a database of all addresses in the United States. This comprehensive database and the established process for registering address changes, together with the Postal Service's active

6

outreach to displaced persons, were key to reconnecting displaced persons with their families and effecting delivery of government checks, relief information, and medicines. Without the AMS, relief efforts would have been seriously hampered and disruption to communications and commerce even greater.
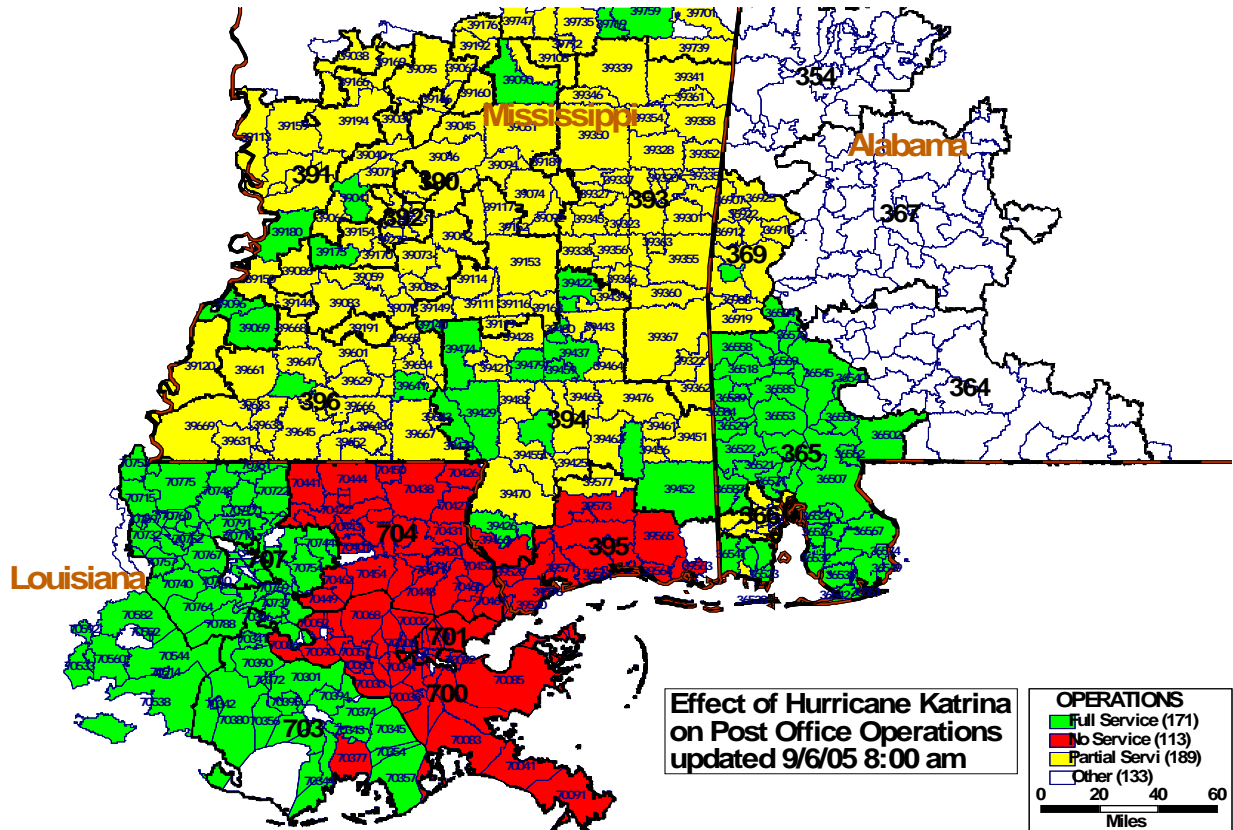
A. Active Management during the Storm

As might be expected, contingency planning is an essential part of the postal delivery network. Postal employees regularly encounter weather conditions which can disrupt operations, including snowstorms, wildfires, heavy winds and hurricanes, and the Postal Service continually updates transportation and delivery plans to prepare for and respond to these disruptions.[6]

Planning for Hurricane Katrina began well before the storm's expected arrival. First, the Postal Service coordinated with the Social Security Administration (SSA) to deliver benefit checks early, prior to landfall, to ensure that Social Security recipients had their checks in hand during the crisis. In addition, the Postal Service created a mapping system to track the hurricane and the levels of service down to the 5-digit ZIP Code level. The map, illustrated below, was continually updated as the Katrina passed through Louisiana and Mississippi, during the recovery period afterwards, and during the Rita hurricane. It showed red zones, where basic service was unavailable; yellow zones, where there was limited service (basically mail pick-up points in usable postal

---

[6] With a national distribution network of nearly 600 processing facilities and 36,000 retail outlets, the Postal Service has facilities in every corner of the country and can monitor weather conditions at these facilities. The Postal Service's public website includes a page dedicated to daily national and international service updates. http://www.usps.com/communications/news/serviceupdates.htm.

facilities, and tents, trailers, or other temporary quarters); and green zones, where

service was unaffected.

Effect of Hurricane Katrina on Post Office Operations updated 9/6/05 8:00 am

OPERATIONS
Full Service (171)
No Service (113)
Partial Servi (189)
Other (133)

B. Restoring Communications

Shortly after landfall, it became evident that phone and power lines would be

down for an extended period of time, and that the primary means of communication

would be mail delivery. Recognizing that access to its retail outlets was essential for

hurricane victims to communicate with the outside world, the Postal Service moved

quickly to restore damaged post offices and open temporary retail outlets.   At restored

or makeshift post offices, displaced persons could register new addresses, send

personal correspondence, receive relief checks, and obtain emergency information.

The Postal Service also implemented temporary distribution sites and instituted route changes, updating routes as the situation changed.[7]

The Postal Service made emergency purchases to ensure deliveries to an estimated 700,000 customers. The Postal Service bought supplies and services including carrier casing equipment, post office box modules and locks, cluster box units, satellite and cell phones, carrier route vehicles, change-of-address kits, lighting, and fuel for generators and vehicles. It also rented heavy duty vehicles. Existing partnerships with freight carriers enabled the Postal Service to deliver emergency meals, water, and ice to affected facilities. Supply inventories were redistributed to damaged facilities. Most importantly, change-of-address kits were distributed to hundreds of thousands of evacuees from the disaster areas.

The Postal Service also had to contend with extensive damage to its own facilities. The Postal Service initially estimated the costs from storm damage to its infrastructure to be $126 million.[8] It recently reported that it spent $29.5 million in facility repair capital costs and $55 million in other expenses from Hurricane Katrina. Expenses included costs for employee accommodations in other clusters, relocation expenses, contact casuals, start up costs for new operations, temporary district offices, assistance from other clusters, vehicle repairs, facility repairs, and clean up and recovery.

---

[7] *See* http://www.postalmag.com/katrina.htm for real time descriptions of specific USPS efforts in the aftermath of Katrina.

[8] USPS Office of Inspector General Management Advisory–Postal Service's Replacement and Repair of Facilities Affected by Hurricane Katrina, Report FA-MA-06-001 (May 26, 2006) at http://www.uspsoig.gov/foia_files/FA-MA-06-001.pdf.

In November 2005, then-Senior Vice President of Operations William Galligan summarized the effort thus:

> In terms of processing operations, a number of temporary distribution sites were established, routing changes were made, mail was moved through Houston Hobby Airport and processed at the Houston Postal facility. Temporary systems were set up to forward mail and work with changes of address to try to intercept mail before it moved toward an invalid address. Except when it was shut down by Hurricane Wilma, the Beaumont remote encoding site was processing mail, and the Postal Service worked with FedEx to move operations from the almost inoperative New Orleans airport to the Baton Rouge airport. Short-term leases were negotiated for space in Baton Rouge and Port Allen.
>
> The loss of delivery points was exceptionally high. In Louisiana, over 611,000 delivery points were affected, reduced to about 96,000 by October 7, 2005, and all were fully restored by October 13. *Change of address (COA) requests exploded from about 19,000 on September 2, increasing to over 630,000 by October 30.* One reason was the fact that some individuals moved several times, each move causing a new COA. Retail operations in the same area were affected, peaking at 154 closed facilities. Infrastructure damage was significant, with 412 damaged facilities and 10 facilities totally destroyed. Putting it all back together will require careful examination of each site by industrial hygienists, and consideration of the financial impact.[9]

C.   Restoring Commerce

The hurricanes' impact spread far beyond Gulf Coast states. Communications and commerce were severely impacted throughout the country as individuals and businesses needed to adjust their operations to take into account that certain ZIP Codes were either without mail service or had limited service. The Postal Service was

---

[9]   Presentation of William Galligan, Postal Service Senior Vice President of Operations, at the Mailers Technical Advisory Committee, November 2, 2005, at http://ribbs.usps.gov/mtac/documents/tech_guides/ (emphasis added) ("Galligan Presentation").

compelled to suspend drop shipments of Standard Mail (such as catalogs and flyers) and Periodicals Mail (magazines) to certain ZIP Codes.[10]

By suspending dropshipments to those areas with the most service restrictions after Katrina, the Postal Service reduced the volume of non-deliverable mail. This allowed the Postal Service to focus on restoring service, and prevented businesses and nonprofit organizations from spending unnecessarily on mailings to restricted areas. The embargo on Standard and Periodical Mail (Letters and Flats) was imposed in September 2005 for all 700, 701, 704 and 706 ZIP Codes (see Table 1 below). By May 2006, ZIP Codes starting with 704 had been fully restored, but specific codes in other areas were still closed down. On May 1, 2006, just after operations were reinstituted in New Orleans, the Postal Service announced a mail restoration program. The program identified addresses actually receiving mail so commercial mailings could resume to those addresses even if the entire ZIP Code had not been restored. Non-deliverable addresses were flagged in the Address Management System to reduce the volume of mail that could not be delivered.

During the embargo on dropship mail, the Postal Service granted exceptions to mailers if they participated in this mail restoration program. Participating mailers registered with the Postal Service's National Customer Support Center and submitted 11-digit address files that were processed and returned with a "yes" or "no" code denoting whether mail was deliverable. This effort to identify deliverable addresses in

---

[10]   Many commercial mailers use sophisticated software systems to prepare and sort their mail by ZIP Code and then enter the sorted mail closer to its final destination. This sorting and entry is part of the Postal Service's worksharing program and allows the mail to reach customers more quickly.

real time—and limit non-deliverable mail while allowing bulk mail to flow—was possible only because of the capabilities of the Address Management System.

Table 1

Time Line Of Events		
Greatest Impact Was In New Orleans Embargoed Standard & Periodicals Into ZIPs 700, 701, 704 & 706		
Periodicals and Standard Mail Embargo	**September 2005**	**May 2006**
700	All	70032, 70038, 70040, 70041, 70043, 70050, 70075, 70082, 70083, 70085, 70091, & 70092
701	All	All
704	All	Restored
706	All	70631, 70632, & 70643

D.   Locating Displaced Hurricane Victims

The Postal Service's comprehensive and sophisticated Address Management System (AMS) enabled it to provide service and delivery to thousands of displaced hurricane victims within a relatively short time. In the Change of Address (COA) process, a customer files a notification with the Postal Service of his or her new address. For address notices filed online, the Postal Service usually charges a $1 fee to an authorized credit card to validate identity.

The Postal Service established the Address Management System in 1984 to capture accurate address information with the primary goal of enhancing the efficiency of mail processing through automation. In 1994, the Postal Service updated the system to merge ZIP+4 data and delivery point data, allowing the Postal Service to manage individual addresses.[11] While the AMS was originally developed to serve as the basis for automated mail delivery, the nation's addressing system, in practice, has been used for much more than automated processing. It has become an essential tool for organizing nationwide commerce and communications, and, as demonstrated in the Katrina aftermath, an indispensable factor in reestablishing communications after a national emergency.

Each year, customers submit more than 40 million COA requests to the Postal Service, which processes the data at its National Customer Support Center in Memphis, Tennessee. In FY 2005, the year of Hurricanes Katrina, Rita and Wilma, 49.6 million customers filed COA requests, about 3 million more than any previous year. In the one month period, September 2005, the Postal Service received 420,000 COAs from the areas affected by the hurricanes, about an eight-fold increase in monthly COAs. ZIP Codes beginning with 700 and 701 had about 33,000 COAs on file before Katrina. In the first month after the hurricane, those same ZIP Codes registered 286,000 COAs

In response to Katrina, the Postal Service created an emergency Internet Change of Address (ICOA) website to help displaced victims change their addresses. In 2005, almost 6 million address changes were made using ICOA, with 4 million filed

---

11   "Jointly developed by the Postal Service and mailing industry, standardized address information enhances the processing and delivery of mail, reduces undeliverable-as-addressed mail, and provides mutual cost reduction opportunities through improved efficiency." U.S. Postal Service Publication 28 at http://pe.usps.com/text/pub28/pub28c1_001.htm#ep275124 .

completely electronically.[12] Many displaced persons filed two or more address changes within a few months, as they moved from one place to another. The USPS waived the fee for electronic entry of COA information. It suspended its normal move validation process, which requires it to mail to a resident's old address a notice confirming the requested change of address, and instituted other measures to ensure security.

The Postal Service responded creatively to the challenge of locating displaced people in order to deliver mail, medicine, and government assistance checks. A few days after the storms had passed, the Postal Service established ZIP Code 77230, for the Houston Astrodome, where over 11,000 displaced people were housed. The Postal Service created special COA procedures for the distribution of medicines to individuals who had moved to temporary housing and did not have all of the necessary identification with them. The Postal Service worked with the National Center for Missing & Exploited Children (NCMEC) to locate displaced children and reunite them with their families. The USPS used data from its COA to build a new address logic to link the pre-Katrina address of each resident with his or her relocation address. This allowed the Inspection Service and the NCMEC to analyze the information and establish relationships so that missing children could be found and reunited with parents.

The Postal Service also assisted the Federal Emergency Management Agency (FEMA) by delivering informational flyers to disaster victims in Louisiana, Mississippi and Alabama with information on how to initiate the assistance process; coordinating a one-time delivery of disaster assistance checks; sharing data collected through the COA

---

[12] 2005 Comprehensive Statement on Postal Operations at http://www.usps.com/strategicplanning/cs05/cs2005.pdf.

process to facilitate FEMA's efforts to locate displaced persons; and coordinating with the Primary Federal Official to ensure that postal services were available as individual parishes were opened for re-entry.

The Postal Service also coordinated address changes with other federal agencies so that it could provide seamless delivery of Social Security checks and other public assistance payments. On September 15, 2005, President George W. Bush commended the federal agencies, including the Postal Service, for getting Social Security, unemployment, and other government checks to displaced hurricane victims.[13]

The Postal Service constantly analyzed its address change data in the aftermath of the storms, feeding the data daily to its Baton Rouge headquarters for real time decisions on which mail to reroute. Working closely with postal districts in Louisiana, the National Customer Support Center tried to bring back online as many ZIP codes as possible for Periodicals and Standard Mail.

Six months after the hurricanes struck, New Orleans and surrounding areas still had numerous displaced residents. Louisiana state and city officials worried that these residents would be disenfranchised in the upcoming 2006 primary elections for state and local offices. The Postal Service worked closely with the Louisiana Secretary of State's Election Division to ensure that absentee ballots were distributed and received in a timely manner. Postal Service outreach efforts included placing posters in thousands of post offices to publicize absentee ballot mailing deadlines; lifting the

---

[13] In his live speech from New Orleans, President Bush credited federal agencies for getting Social Security, unemployment and other government checks to hurricane victims. "And the Postal Service is registering new addresses so that people can get their mail." Statement of President Bush, USPS News Link, September 16, 2005, at https://liteblue.usps.gov/news/link/2005sept16.htm#1.

embargo on bulk rate mail for campaign and political mailings; coordinating with the Louisiana Secretary of State to facilitate the absentee ballot effort; and contacting every candidate with information explaining mailing options, deadlines, and available services. The Postal Service used its CONFIRM® tracking service on each ballot to track both incoming and outgoing mail.

E.   Focus on the National Address Management System

The Address Management System played a central role in enabling the government to locate and deliver essential services to displaced hurricane victims. To be ready for use in a national emergency, AMS processes must be maintained and its data kept up-to-date. In this section, we examine some of the financial aspects of this key part of the postal infrastructure.

Under the current regulatory regime, the Postal Service has assumed that AMS-related products sold to mailers generate enough revenues to cover the costs of maintaining the system. AMS products range from basic services, such as the addition of the correct ZIP+4 Code to addresses, to more robust uses of addressing data, such as NCOALink and Address Change Service.

Data on AMS products compiled by the Postal Regulatory Commission show FY 2009 revenues of about $17 million. See Table 2 below. Under the regulatory assumption that costs are equal to revenues, FY 2009 costs for the AMS would be approximately $17 million.

Table 2: Revenue for Address Management Services
Billing Determinants Revenue from Q3 FY 2009 - Q2 FY 2010

	Address Management Services	Revenue
1	99 Percent Accurate	$34,442
2	Changes of Address for Election Boards	$10,003
3	Address Element Correction (AEC) II	$545,093
4	Address Information Service (AIS) Viewer	$110,440
5	Address Sequencing Service	$54,042
6	Barcode Certification	$0
7	Carrier Route	$23,695
8	CASS (Coding Accuracy Support System)	$43,200
9	City State	$418,010
10	Computerized Delivery Sequence (CDS)	$3,036,560
11	Correction of Address Lists	$6,371
12	Delivery Statistics	$65,212
13	DMM (Domestic Mail Manual) Labeling Lists	$6,240
14	DPV™ (Delivery Point Validation) System	$310,000
15	DSF2™ (Delivery Sequence File – 2nd Generation) System	$1,405,000
16	eLOT (enhanced Line of Travel)	$65,212
17	FASTForward MLOCR (Multi-line Optical Character Reader)	$1,532,917
18	Five-Digit Zip	$44,660
19	LACSLink™ (Locatable Address Conversion Sys.) Product	$13,050
20	MASS™ (Multiline Accuracy Support System)	$298,850

21	NCOALink™ (National Change of Address) Product	$8,458,825
22	NCOALink Service - ANK (Address Not Known) Link	$11,563
23	Official National Zone Charts	$4,063
24	RDI (Residential Delivery Indicator)	$73,200
25	Z4 (ZIP 4) Change	$9,000
26	ZIP + 4	$329,521
27	ZIP Code Sortation of Mailing Lists	$1,680
28	Zip Move	$6,200
	Total	**$16,917,049**

Source: Postal Regulatory Commission

In addition, the Postal Service generates revenue from two other addressing services that are not considered part of the AMS: Address Change Service (ACS) and MoverSource Alliance. These two services generate revenue in excess of costs. Postal officials have informed us that the Postal Service received approximately $96 million in total revenue in FY 2010 through the AMS products, ACS fees, and MoverSource Alliance. Still, postal officials explained that the addressing system was not intended to generate a profit but was created as part of the postal infrastructure to facilitate mail delivery.[14]

---

[14] The direct value of the AMS to the mailing industry—unrelated to national emergencies—is far greater than just the revenue generated from its products. In European countries with liberalized posts, the value of the post code database is well-recognized, as well as the fact that the dominant provider would have an unfair advantage if it retained sole access to addressing information. Several foreign governments have implemented rules on maintenance and usage of the addressing. In Sweden, for example, Posten AB, maintains, but does not own, the Post Code System. A governing board made up of Posten AB, competitors, and other interested parties, oversees the addressing system. People who wish to change their addresses pay a fee to do so, as do postal operators who want to use the address data. In Germany, Deutsche Post charges a price-regulated access fee for its addressing database to users, including both competitors and customers. For the reconciliation of addresses, a competitor currently

The foregoing costs relate only to ongoing annual maintenance, not to the initial investment in setting up the system. The cost of creating the current addressing system has been spread out over the past 25 years and is diffused across many different postal functions and activities. Postal officials informed us that they do not have an exact tabulation of the total costs of creating the addressing system. However, the Postal Service estimates that to recreate the addressing system would cost about $36 million for planning, design, hardware, software, implementation and training components. To recreate the addressing system *data*, using the same model it used to create the existing system, would take about 20,000 work years at an average of $60,000 per year, or $1.2 billion.[15] The Gulf Coast hurricanes of 2005 imposed additional costs on the Postal Service in the area of address management of about $100,000 in materials and infrastructure changes and an additional $250,000 in personnel costs for labor diverted from regular duties to emergency work associated with the hurricane response.[16] Postal officials did not have an estimate of incremental costs for the increase in COAs and the implementation of New Orleans Restoration Project.

Hypothetically, one could propose that the value of the address management system is related to the cost of its replacement if the postal infrastructure did not exist.

---

pays a one-time price of 58.47 EUR (for a reader and a smartcard) and 0.10 EUR per address. Information on Sweden provided by Stu Wallander, Vice President of Regulatory Affairs, Posten AB; Germany, provided by Antonia Niederprum, Senior Economist, Postal Services and Logistics, WIK.

[15] This assumption is based on multiplying what the Postal Service has done over the base 25 years to compile and maintain the current system and does not anticipate any efficiencies that would be achieved as a result of technological advancements.

[16] Employees at the National Customer Support Center (NCSC) who work in addressing are not bargaining employees; thus, the additional work hours they contributed during the Katrina crisis did not result in overtime pay, which would have been the case if they had been unionized employees.

But merely summing the cost estimates above—to more than $1.24 billion—would significantly underestimate its overall value during an emergency. It would completely ignore the critical element of timing: To recreate a comparable address management system to respond effectively to the 2005 hurricanes within any reasonable timeframe would have been impossible. The addressing infrastructure is valuable in large part because it is already *in place* and available for immediate use in locating and communicating with displaced persons during crises. A comparable non-postal replacement system would have to be created beforehand and continually updated on a regular basis to stand ready for emergencies. Moreover, the costs of maintaining such a system would greatly exceed the $17 million in current AMS maintenance costs because the replacement system would not be integrated into the postal infrastructure. Today, the $17 million in annual maintenance costs is covered by postal revenues paid by mailers, not appropriated funds.

The Postal Service's AMS is an efficient component of the postal infrastructure: It has relatively low maintenance costs, generates revenues to cover its costs, would be costly to develop from scratch, and provides critical assistance during a national emergency. It is a prime example of a social benefit derived from the Postal Service infrastructure which has been overlooked in the current debate on the value of the Postal Service.[17]

---

[17] This discussion of the value of the postal infrastructure focuses only on the addressing system. As detailed previously, the postal delivery and retail infrastructure provided an invaluable contribution to the effort to reestablish communications and commerce after Katrina. Although this Study does not attempt to quantify the value of that larger contribution, many of the same observations apply: the postal infrastructure was indispensable during the crisis, any measure of its replacement cost would seriously underestimate the true value of a well-maintained, immediately-accessible network, and a separate stand-alone emergency crisis infrastructure would be costly to recreate and maintain.

F.   Lessons Learned for Future Emergencies

Less than a month after Katrina struck, President Bush ordered a comprehensive review of the federal government's emergency response to facilitate preparation for future national disasters and terrorist attacks. In that report, *The Federal Response to Hurricane Katrina: Lessons Learned*, [18] the Department of Homeland Security (DHS) estimated $96 billion in damages from Hurricane Katrina, the most expensive natural disaster in history.[19] The Report also detailed the logistics and delivery capabilities needed during future disasters and recommended that the DHS "partner with local governments, other Federal agencies and the private sector to develop an efficient, transparent and flexible logistics system for the procurement and delivery of goods and services during emergencies. DHS should develop a logistics system, utilizing an integrated supply chain management approach, capable of supporting large-scale disaster operations by leveraging resources within both the public sector and the private sector."[20] The following sections detail the Postal Service's participation in these emergency preparedness efforts.

---

[18]   The Federal Response to Hurricane Katrina: Lessons Learned, Department of Homeland Security, February 2006 at http://library.stmarytx.edu/acadlib/edocs/katrinawh.pdf (DHS Report).

[19]   Other estimates of the costs resulting from Katrina include the following: The Associated Press reported less than a month after Hurricane Katrina that estimates of Hurricane Katrina's "staggering toll on the treasury are highly imprecise, but costs are certain to climb to $200 billion in the coming weeks. The final accounting could approach the more than $300 billion spent in four years to fight in Afghanistan and Iraq." Associated Press, "Katrina may cost as much as four years of war," September 10, 2005, at http://www.msnbc.msn.com/id/9281409/ns/us_news-katrina_the_long_road_back/. The National Oceanic & Atmospheric Administration (NOAA) reported a year after Katrina that the 1992 Hurricane Andrew cost "about $21 billion in insured losses (in today's dollars), whereas estimates from the insurance industry as of late August 2006, reached approximately $60 billion in insured losses (including flood damage) from Katrina. The storm could cost the Gulf Coast states as much as an estimated $125 billion." National Oceanic & Atmospheric Administration at http:www.katrina.noaa.gov.

[20]   DHS Report at 98.

II. Delivery of Antibiotics through the Postal Network

A. The Cities Readiness Initiative

The Postal Service is considered a federal agency with respect to government responsibilities to prepare for national emergencies, including bioterrorist attacks. As a federal asset, its infrastructure is a key component of the Cities Readiness Initiative (CRI), a national program designed to increase bioterrorism preparedness in 72 large cities. CRI's goal is to dispense medication within 48 hours to every individual in each of the 72 cities. The Centers for Disease Control and Prevention (CDC) manages CRI, as part of the Strategic National Stockpile program. Since 2004, CDC has provided special funding for CRI through the Public Health Emergency Preparedness Cooperative Agreement.[21]

In order to reduce population surges at points of dispensing, which is the traditional method of distributing medication, CRI developed the "Postal Plan," which designates the Postal Service as the deliverer of antibiotics. This antibiotic-delivery plan was initially developed and tested in Seattle, Philadelphia and Boston.[22] The Postal Plan has since been expanded to five more cities with another ten cities to be

---

[21]   The Postal Service does not currently receive any of these funds. In 2004, CDC made a one-time payment to the USPS of $88,500 for one-year of reprogramming costs. Postal officials have stated that this amount covered only a fraction of the actual reprogramming costs. The Postal Service is currently reimbursed through an interagency agreement with HHS/ASPR only for its Postal Model program described in Section II.C, *supra*. *See* Key Facts about Cities Readiness Initiative, 2006 CRI Fact Sheet, Centers for Disease Control and Prevention, at http://www.bt.cdc.gov/cri/facts.asp.

[22]   U.S. Department of Health and Human Services News Release, October 1, 2008,at http://www.hhs. gov/news/press/2008pres/10/20081001a.html.

added by 2012.[23] The Postal Service has also conducted a pilot for the recruitment of volunteer mail carriers in Minneapolis-St. Paul.[24]

Federal officials determined that there are several advantages to residential delivery of antibiotics over mass dispensing sites:

- Saving more lives through more efficient delivery of antibiotics.

- Allowing residents to stay home, decreasing the potential for civil disorder.

- Buying time for responders and government officials to set up large scale dispensing sites and to disseminate public information.

While details relating to terrorist response planning are generally considered sensitive information, a report by the Minnesota Department of Health provides insight into how antibiotics would be delivered by the Postal Service. Regular mail delivery would be suspended for the day. Previously recruited and trained Postal Service letter carriers would pick up medication at postal facilities and deliver one bottle of antibiotics to each residential address, with all deliveries to be completed within eight to ten hours. Each carrier would be paired with a security officer.[25] Two security officers would be assigned to each postal distribution facility, and one security officer would oversee each

---

[23] Center for Infectious Disease Research and Policy, Academic Health Center, University of Minnesota (CIDRAP), "Twin Cities Mail Carriers Prepare to Deliver Biodefense Drugs," at http://www.cidrap.umn.edu/cidrap/content/bt/bioprep/news/aug0410anthrax.html .

[24] Rand Study, "The Role of the United States Postal Service in Public Safety and Security: Implications of Relaxing the Mailbox Monopoly," at http://www.rand.org/pubs/monographs/MG800.html .

[25] Presentation by Aggie Leitheiser, RN, MPH, Director of Emergency Preparedness Minnesota Department of Health, July 2009, at http://www.nga.org/Files/pdf/0907HSTWORKSHOPLEITHEISER.pdf.

postal route. In a city such as Minneapolis, over 900 security personnel would be

needed, aside from the regular letter carriers.[26]

B. The Unique Role of the Postal Service

The Postal Service is one of the few entities—government or private—that could

effectuate the immediate and widespread delivery of antibiotics in the event of a terrorist

attack. While private delivery companies could assist in some deliveries, only the

Postal Service has a working infrastructure that delivers to every residence in every

neighborhood six days a week. The Postal Service's delivery units, located throughout

communities based on population density, are ready to serve as access points for

receiving shipments of medicine for distribution; the postal routing system is already in

place to delineate the fastest and most efficient delivery routes from these facilities to

each residence. In addition, the Postal Service's addressing system, including its ZIP

Code selection process, identifies population densities and jurisdictional boundaries—

information critical for ensuring that each carrier receives sufficient medication for his or

her route.

In the course of developing the Postal Plan, CDC came to recognize and value

the Postal Service's unique capabilities. Originally, CDC indicated that use of the Postal

Service to deliver medication was only one several options. However, after conducting

---

[26]   Indeed, while the letter carriers stand ready to do their part, it is the high number of security officers
that has slowed adoption of the Postal Plan. A Rand Health Technical Report states that interviews of
Metropolitan Statistical Areas (MSAs) to determine why uptake of the Postal Plan had been so slow
revealed: "The major deterrent has been security concerns. For instance, many law enforcement officials
expressed special concern about the number of officers required (each postal carrier would be
accompanied by a police officer)." Rand Study, "The Role of the United States Postal Service in Public
Safety and Security: Implications of Relaxing the Mailbox Monopoly," at http://www.rand.org/pubs/
monographs/MG800.html.

a pilot program, CDC determined that use of the Postal Service network should be a

non-negotiable requirement. CDC explained:

> The requirements of the CRI contained within the guidance document for 2005
> are based in part on the lessons learned during the pilot year (2004). Working
> with each of the 21 cities has indicated that few, if any, are prepared as yet to
> meet the demands of the CRI mission. **The USPS Plan provides access to a
> federal asset that already is in place in the community and well practiced at
> residential delivery.** Moreover, as representatives of the USPS carrier unions
> and USPS management have noted on several occasions, USPS employees are
> members of the affected community and thus have a stake in protecting their
> families, friends, and neighbors.
>
> The requirement therefore is to ensure that appropriate planning among the
> jurisdiction, HHS, and USPS occurs well in advance of an incident so that the
> USPS Plan is fully integrated with the rest of the CRI planning and ready for use
> if the jurisdiction needs it. Pre-event planning is imperative; the lead time for
> putting a USPS plan in place is too long for HHS and USPS to do so once an
> incident is underway.
>
> HHS recognizes that the demands of any given incident may be such that the
> jurisdiction will not have reason to request that the USPS plan be invoked. But, if
> the demands of the incident exceed local response capabilities (as easily could
> be the case following a wide-area outdoor release of spores of the anthrax
> organism), **invoking the USPS plan could be the only way to save thousands
> of lives.** HHS and USPS will not be able to help the jurisdiction via the USPS
> plan unless the jurisdiction has collaborated with HHS and USPS to put the plan
> in place.[27]

C.   President Obama's 2009 Executive Order

On December 30, 2009, President Obama issued Executive Order 13527, which

recognizes the importance of the Postal Service's role in the nation's response to a

biological attack. Executive Order 13527, "Establishing Federal Capability for the

Timely Provision of Medical Countermeasures Following a Biomedical Attack," directs

the Postal Service, in coordination with the Secretaries of Health and Human Services

---

[27]   Centers for Disease Control and Prevention, Cities Readiness Initiative Q&As, at
http://www.bt.cdc.gov/planning/guidance05/pdf/qa.pdf (emphasis added).

and Homeland Security, to establish "a national U.S. Postal Service medical countermeasures dispensing model to respond to a large-scale biological attack":

> In support of the national U.S. Postal Service model, the Secretaries of Homeland Security, Health and Human Services, and Defense, and the Attorney General, in coordination with the U.S. Postal Service, and in consultation with State and local public health, emergency management, and law enforcement officials, within 180 days of the date of this order, shall develop an accompanying plan for supplementing local law enforcement personnel, as necessary and appropriate, with local Federal law enforcement, as well as other appropriate personnel, to escort U.S. Postal workers delivering medical countermeasures.[28]

Postal officials have informed us that the Postal Model submitted to the White House sets forth a formal method for distribution and delivery of medical countermeasures (MCM) by the Postal Service to residential addresses. The Model has been approved by the National Security Staff. Postal Model deployments are not funded through the CDC's Cities Readiness Initiative, nor is the Model exclusive to CRI, although cities that participate in CRI will receive priority due to threat feasibility. The Postal Model operates under the auspices of a Joint Program Enterprise with the Department of Health and Human Services Assistant Secretary for Preparedness and Response (HHS/ASPR). Some of the Postal Service's program costs are reimbursed through interagency agreements with HHS/ASPR, whose appropriations cover overlapping two-year periods. Each appropriation provides up to $10 million for the Joint Program Enterprise, with up to $8 million to cover USPS expenses. No funds are received from CDC's CRI program.[29]

---

[28]   Executive Order 13527, issued December 30, 2009, at http://edocket.access.gpo.gov/2010/pdf/2010-38.pdf.

[29]   *See* footnote 21, *supra.*

The national Postal Model provides "quick strike" capability in each local venue. It is intended to augment, not replace, other public health MCM distribution systems, including points of dispensing networks, and cannot be activated without integration into existing plans. The Model, which is voluntary, is replicable in any U.S. metro area willing to engage in the necessary pre-event preparations. HHS/ASPR is working on how to award cooperative agreements with interested local or state agencies and is centralizing federal mechanisms for postal volunteer health safety activities, including screening for and pre-positioning of doxycycline kits and N-95 masks. Once cooperative agreement details have been finalized, the Joint Program Enterprise will provide further instructions to interested municipalities on selection factors and pre-application requirements.

The federal government has recognized that the use of the Postal Service to deliver antibiotics after a biological attack "could be the only way to save thousands of lives." While the Postal Service is currently reimbursed by HHS for district deployment costs and ongoing district oversight and headquarters program support costs for the Postal Model, federal appropriations do not contribute in any way to the costs of maintaining the postal infrastructure so that it is functioning efficiently when a biological attack occurs. Instead, the postal infrastructure is considered "a federal asset that already is in place in the community and well practiced at residential delivery" which can be called on in times of crisis.[30]

---

[30] Cities Readiness Initiative Report, USPS Plan, at http://www.bt.cdc.gov/planning/guidance05/pdf/qa.pdf

III.   The Biohazard Detection System for the Mail

The first known parcel bomb detonated in 1764, when a Danish diarist received a box by post.[31] In recent years, the Unabomber, Ted Kaczynski sent 16 bombs through the mail, which killed three people. The Unabomber's method of attack prompted the Postal Service to change regulations on the mailing of retail packages. In October 2010, terrorists from Yemen attempted to send bombs through packages carried by UPS airplanes. The Postal Service has since suspended acceptance of international packages from Yemen.[32]

In October 2001, for the first time in the nation's history, letter mail became a vehicle for a biological terrorist attack. Four letters containing anthrax were mailed to two U.S. senators and two national media outlets. There were also confirmed cases of anthrax at two other media outlets although FBI investigators were uncertain whether anthrax-laced letters were sent to these offices.[33] The attacks resulted in closure of the Hart Senate Office Building for three months. Twenty-three people contracted anthrax, and five of them died.

Because infectious spores were sent through the U.S. mail, the Postal Service was affected directly and significantly. Two employees died from anthrax, and nine others were infected but survived. Mail services in some areas were curtailed; two

---

[31]   The Economist, "Going Postal: Sending explosives through the post has a long and murky history," November 4, 2010, at http://www.economist.com/node/17414389.

[32]   U.S. Postal Service Press Release of October 30, 2010, at http://www.usps.com/communications/ newsroom/2010/pr10_100.htm.

[33]   Council on Foreign Relations, Backgrounder, January 2006, at http://www.cfr.org/weapons-of-terrorism/anthrax-letters/p9555.

processing facilities were closed for the long term because of anthrax contamination; and mail volume declined significantly during this period.[34] In related incidents, the Postal Inspection Service responded to more than 20,000 suspicious mailings, anthrax hoaxes, and threats.[35] The anthrax attacks radically changed the way our nation views mail delivery and mail safety.[36]

The Postal Service acted quickly to provide medication to its employees and any other persons who may have been exposed to anthrax spores at postal facilities. It gave masks and gloves to employees and modified its facility maintenance procedures to limit potential infection. It closed the two processing plants, in Trenton and Washington, D.C., that had been infected. It sanitized every piece of mail in those plants, using an electron-beam irradiation process—a process that is still used to treat mail addressed to federal government offices in Washington, D.C.[37]

A February 2002 report by the Congressional Research Service stated that the Postal Service expected to spend $60 million to provide medical treatment to affected workers and to clean facilities. It projected costs of $1.2 billion in FY 2002 to protect postal workers and to evaluate systems to protect mail recipients. The Postal Service also expected a decrease in mail volume that year that would result in a loss of $2

---

[34] 2002 Comprehensive Statement on Postal Operations, at http://www.usps.com/history/cs02/welcome.htm.

[35] A Chronology of the United States Postal Inspection Service at https://postalinspectors.uspis.gov/aboutus/History.aspx.

[36] Congressional Research Service, "The U.S. Postal Service Response to the Threat of Bioterrorism through the Mail," February 11, 2002, at http://www.policyarchive.org/handle/10207/bitstreams/1348.pdf.

[37] 2002 Comprehensive Statement on Postal Operations, at http://www.usps.com/history/cs02/welcome.htm.

billion in revenues. Despite the costs, the report noted, "The Postal Service feels that its survival depends on being able to ensure the health of postal workers and to restore the faith of the American people in the safety of the mail."[38]

The Postal Service faced the challenge of finding effective safety measures while keeping the mail system open to customers and easy to use. It explained:

> Our visibility and our value to the American people depend upon an open and accessible mail system. Following the anthrax attacks, it was critical that we put in place new and enhanced technology applications and process changes that can enhance safety of the mail and reduce risks to both employees and customers.[39]

Shortly after the attacks, President George W. Bush authorized funding of $175 million to the Postal Service to pay for safety measures to protect the mail, postal employees, and customers from exposure to biohazard materials. In November 2001, Congress appropriated an additional $500 million to sanitize and screen mail and to replace or repair postal facilities damaged in New York City as a result of the September 11, 2001, terrorist attacks. The funds were contingent upon an Emergency Preparedness Plan, which the Postal Service submitted in March 2002. In August 2002, Congress appropriated an additional $87 million for emergency expenses. The funding in FY 2002 came from three public laws: a Presidential Transfer; the Department of Defense Appropriations Act of 2002; and Supplemental Appropriations of 2002.

---

[38]   Congressional Research Service, "The U.S. Postal Service Response to the Threat of Bioterrorism through the Mail," February 11, 2002, at http://www.policyarchive.org/handle/10207/bitstreams/1348.pdf.

[39]   2002 Comprehensive Statement on Postal Operations, at http://www.usps.com/history/cs02/welcome.htm.

Table 3: Anthrax Funding

Date	Funding	Amount
October 2011	President authorizes initial funds for safety measures	$175 million
November 2001	Congressional appropriation to sanitize mail, repair facilities damaged in 9/11	$500 million
August 2002	Additional Congressional appropriation for emergency expenses	$87 million

Source: 2002 Comprehensive Statement on Postal Operations.

At the same time, the Postal Service began to design equipment to detect biohazards in the mail stream, just as mail was being processed. No adequate systems existed at that time, and the USPS Engineering Department was tasked to determine the core technology needed. In April 2002, after consultation with the military, federal agencies, and consultants, a pilot system was tested.[40] A Phase One contract was subsequently awarded to Northrop Grumman for a Biohazard Detection System (BDS) at a not-to-exceed price of $175 million. Under the terms of the contract, the supplier would manufacture and install 742 units nationwide. Phase One deployment began in early 2004. By June 30, 2004, the Postal Service had spent or committed all of the allocated $762 million.

This first-of-its-kind BDS performs a rapid, on-site DNA test for anthrax and provides immediate notification by continuously testing air samples from mail canceling equipment in 292 facilities. The hood of the BDS is placed over the Advanced Facer Canceler System (AFCS) on a letter sorting machine, and the BDS collects samples of

---

[40] National Association of Letter Carriers, Safety and Health Report, at http://www.nalc.org/depart/safety/USPSBDS.html.

air from the mailstream.   Each BDS unit consists of an air-collection hood, a cabinet where the collection and analysis devices are housed, a local computer network connection, and a site controller. The DNA test is conducted in the cabinet linked to a site controller computer, which then activates an alert system if anthrax DNA is detected. Samples are tested using a polymerase chain reaction, which can detect anthrax DNA in about one hour on-site.

This technology has received high marks from the nation's most prestigious institutions. The Executive Office of the President's Office of Science and Technology Policy created an interagency working group to review the performance of the BDS and confirmed by independent testing that the BDS is consistent with state-of-the-art laboratory-based detection systems and adequately perform the task needed by the Postal Service.   Agencies and labs that approved the BDS design include:

- USAMRIID (U. S. Army Medical Research Institute of Infectious Diseases)
- Navy Medical Research Center
- NIST (National Institute of Standards and Technology)
- Department of Agriculture
- Johns Hopkins Applied Physics Lab

The annual operating and maintenance costs for the BDS units is $70.1 million, of which $32 million is spent on cartridges (PCR and reagents) and $38.1 million to maintenance. The Postal Service no longer receives appropriated funds for the BDS program, even though BDS machines are deployed for all mail destined to federal

agencies or Congressional offices in Washington. Instead, BDS costs are borne by the

Postal Service and its customers.

The Postal Service's first priority is the safety of its employees and customers

and the integrity of the nation's mail system. It recognizes the importance of

maintaining an open and accessible mail system. Since 2001, the Postal Service has

developed and deployed sophisticated technology to continuously test air samples as

mail moves through mail cancelers. The Postal Service has assumed responsibility to

safeguard the mail from biological threats and borne the ongoing costs. Its efforts

benefit society as a whole by discouraging use of the mail for terrorist attacks, ensuring

government officials receive clean mail, and maintaining public confidence in hard copy

communications.

IV. The Postal Service's Role in the National Response Framework and the National Infrastructure Protection Plan

A. USPS Responsibilities in the National Response Framework

The National Response Framework (NRF), developed by the Department of Homeland Security, provides guiding principles to prepare for a unified national response to disasters and emergencies. The Framework establishes a comprehensive, national, all-hazards approach for all responders. Under the NRF, the Postal Service is designated as a supporting agency for seven of the 15 emergency support function annexes.

Private couriers do not have a specified formal role in the NRF although they have contributed to public safety during emergencies.[41] As a federal agency, the Postal Service's role is more formalized and critical than the role of private couriers.[42] Under ESF-1 (Transportation), the Postal Service is tasked to report on infrastructure disruption and damages. Under ESF-8 (Public Health and Medical Services), the Postal Service is required to assist in distributing and transporting medicine, pharmaceuticals, and medical information to members of the general public affected by a major disaster or emergency. Under ESF-6 (Mass Care, Emergency Assistance, Housing, and Human

---

[41] For example, during Hurricane Katrina, FedEx helped move relief shipments, including equipment for the American Red Cross, in preparation for the storm. At the request of the Centers for Disease Control and Prevention (CDC), UPS Air Cargo also helped transport pharmaceutical supplies and move equipment into the affected area. UPS Ground also assisted in moving relief supplies. In addition, the major couriers are involved with national associations, such as the Business Roundtable, that are involved in improving the security of critical domestic infrastructure.

[42] Rand Study, "The Role of the United States Postal Service in Public Safety and Security," at http://www.rand.org/pubs/research_briefs/RB9396/index1.html.

Services), the Postal Service is responsible for providing mail services to relocated populations.[43]

The Postal Service has developed extensive plans to meet its obligations under the National Response Framework. It has established its own Integrated Emergency Management Plan (IEMP), a comprehensive plan for mitigating, preparing for, responding to, and recovering from any natural or man-made disaster. The goal of the IEMP is to improve coordination of planning and response activities among functional areas, minimize duplication of planning efforts, and establish a standardized emergency management process.[44]

The IEMP integrates into one master plan the Emergency Action Plan (EAP), Continuity of Operations Plan (COOP), and annexes for specific hazards (such as hurricanes, floods, and wildfires). For example, Annex 2A of the IEMP provides tasks and responsibilities specific to earthquakes. The IEMP also establishes emergency management teams and defines team roles and responsibilities. Districts and facilities are required to tailor standardized district and facility IEMP templates to address specific processes and procedures.[45]

---

[43]   Rand Study, "The Role of the United States Postal Service's Public Safety and Security," at http://www.rand.org/pubs/research_briefs/RB9396/index1.html.

[44]   USPA Office of Inspector General Audit Report, Postal Service Emergency Preparedness Plans for the New York Metro Area, Report Number SA-AR-08-005 (March 21, 2008), at http://www.uspsoig.gov/foia_files/SA-AR-08-005.pdf.

[45]   *Id.*

The Postal Inspection Service, which is responsible for protecting mail, Postal Service assets, and postal customers, is the emergency coordinator for the Postal Service.[46] The Chief Postal Inspector is responsible for coordinating emergency planning and civil preparedness programs and for providing training and guidance to emergency preparedness personnel.

The Postal Service has budgeted $7.8 million for its Office of National Preparedness and its staff. The funds are intended to ensure that the necessary structure is in place in the event of a major incident and are used for training and testing for a variety of hazards, as well as purchasing and maintaining necessary support items such as large generators. Postal officials have indicated that none of these costs are covered by appropriated funds.

B.   USPS Responsibilities in the National Infrastructure Protection Plan

Both the Postal Service and private couriers participate in the National Infrastructure Protection Plan (NIPP), a Department of Homeland Security initiative intended to provide a unifying structure for integrating existing and future critical infrastructure and key assets protection efforts. As DHS notes, "the Postal and Shipping Sector is an integral component of the U.S. economy, employing more than 1.8 million people and earning direct revenues of more than $213 billion per year."[47]

However, the degree of involvement of each carrier varies. The NIPP calls for public-private security partnerships to share information and protect critical

---

[46]   *Id.*

[47]   Department of Homeland Security, National Infrastructure Protection Plan, Postal and Shipping Sector, at http://www.dhs.gov/xlibrary/assets/nipp_snapshot_postal.pdf (NIPP).

infrastructure and key assets. The USPS co-chairs the Postal and Shipping Sector led by the Transportation Security Administration (TSA). The Postal Service's protective programs include initiatives such as:

-- Biological Detection Systems

-- Threat mail identification programs

-- Facility risk-rating modeling

-- Facility security surveys

-- Commercial mailer reviews

-- Observation of mail conditions

-- Airport Mail Security Review Program

-- Aviation Mail Security Program

-- Personnel Screening Review Program

-- Financial Security Review Program

-- Security Force Assessment Survey

In contrast, private sector security partners are given much more limited protective projects, such as perimeter fencing, extra security measures for the handling and storage of hazardous materials, closed-circuit surveillance systems, and encryption for cyber security.[48]

     In both the NRF and NIPP programs, the Postal Service is treated as a federal agency and delegated greater responsibilities for emergency preparedness than those

---

[48]   NIPP at http://www.dhs.gov/xlibrary/assets/nipp_snapshot_postal.pdf.

required of private entities, although it does not receive additional appropriations to

cover the costs of these extra efforts.

CONCLUSION

This study has examined several illustrations of the Postal Service's contribution to society in responding to major crises such as natural disasters or terrorist attacks. At the time of landfall of hurricane Katrina, the Postal Service already had in place an extensive infrastructure, including a functioning delivery and retail network, an address management system to track displaced persons, and a local and knowledgeable workforce. The Postal Service used this infrastructure to quickly reestablish communications and commerce to disaster areas, to locate displaced hurricane victims, and to deliver government assistance and other essential services. It is unlikely that any other entity could have provided the same level and scope of services as the Postal Service did.

Assigned the responsibilities of a federal agency, the Postal Service continues its preparations to play a crucial role in future emergencies, including the distribution of antibiotics after a biological attack and the protection of vital supply chains— all at little cost to the federal government. The Katrina experience and the major role played by the Postal Service in emergency preparedness programs are vivid reminders that the value to the nation of the Postal Service infrastructure far exceeds its function in the delivery of mail.