Congress of the United States

Washington, DC 20515

August 13, 2024

The Honorable Louis DeJoy Postmaster General and Chief Executive Officer U.S. Postal Service 475 L'Enfant Plaza West SW Washington, D.C. 20260

Dear Postmaster General DeJoy,

We urge you to promptly seek an advisory opinion from the <u>Postal Regulatory Commission (PRC)</u> regarding the Delivering for America (DFA) plan initiatives detailed in PRC Order No. 7061 (Docket No. PI2023-4).¹ According to 39 U.S.C. 3661(b), the United States Postal Service (USPS) must request an advisory opinion from the PRC for any changes impacting postal services on a nationwide or substantially nationwide basis.² The DFA initiatives described in Part III of PRC Order No. 7061 fall under this requirement. Therefore, we demand you immediately submit the necessary proposals to the PRC for an advisory opinion in compliance with USPS' legal obligation.

In 2021, the Postal Service announced its 10-year operational plan, "Delivering for America," aimed at achieving financial sustainability, service excellence, and increased investment. The DFA strategic plan includes a pledge to "adhere to legal, statutory, and regulatory requirements," including filing requests for advisory opinions with the PRC as required by law.³ According to PRC Order No. 7061, as of the order's publication date, USPS has only filed three requests for advisory opinions related to changes outlined in the initial DFA plan.⁴

¹ "Part III. Recent Changes" outlines the DFA initiatives that are subject to an advisory opinion from the PRC under 39 U.S.C. 3661(b), <u>Order No. 7061</u> (Docket No. PI2023-4), Postal Regulatory Commission, April 26, 2024.

² "When the Postal Service determines that there should be a change in the nature of postal services which will generally affect service on a nationwide or substantially nationwide basis, it shall submit a proposal, within a reasonable time prior to effective date of such proposal, to the Postal Regulatory Commission requesting an advisory opinion on the change," Title 39, Part IV, Chapter 36, Subchapter V, Section 3661 of the United States Code (<u>39</u> U.S.C. <u>3661(b)</u>), titled "Postal Services".

³ "We will also adhere to legal, statutory, and regulatory requirements as we implement the initiatives within this Plan. These processes will provide opportunities for stakeholder input and engagement. In particular, the Postal Service will: File a request for an advisory opinion from the PRC prior to implementing any initiative that constitutes a 'change in the nature of postal services on a nationwide or substantially nationwide basis,' as required by statute," Page 41, Delivering for America – Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence, United States Postal Service, March 23, 2021.

⁴ "Thus far, the Postal Service has filed three requests with the Commission for advisory opinions on proposed service standard changes related to the DFA Plan involving First-Class Mail, Periodicals, First-Class Package Service, Retail Ground, and Parcel Select Ground," <u>Order No. 7061</u> (Docket No. PI2023-4), Postal Regulatory Commission, April 26, 2024.

In its April 2023 DFA Second-Year Progress Report, the Postal Service detailed plans for a complete overhaul of its processing and delivery operations network.⁵ This overhaul includes new Regional Processing & Distribution Centers (RPDCs) that consolidate major metropolitan area local processing centers into one large, regional facility. USPS stated that this change would "form the backbone of the future network."⁶ According to the PRC, USPS has started consolidation efforts into new RPDCs in 9 major metropolitan areas across the country – already impacting more than 30 million Americans nationwide.⁷ Yet, despite these significant operational changes affecting service in major cities across the country, the Postal Service proceeded without requesting the required advisory opinion from the PRC – clearly violating the intent of the law.

PRC Order No. 7061 questions the Postal Service's failure to seek an advisory opinion, stating, "It is hard to see how these initiatives will not involve a change in the nature of services". The PRC notes that USPS plans to reduce its facilities from 430 to 220 as a part of their network consolidation efforts moving some facilities as far as 4 hours away. PRC further states that the network consolidation plan could "delay processing" and "lead to mail delays." The Commission concludes that "it has become increasingly apparent that the operational changes to be implemented by the Postal Service nationwide may result in significant service changes over a broad area of the country."⁸

As you well know, the Postal Service's massive network overhaul has been nothing short of disastrous. Mail delays have plagued metropolitan areas where USPS regional network overhauls have taken place. In Atlanta, GA, after several local PDCs across the North Georgia region were consolidated into one RPDC in Palmetto, GA, news reports detailed how dozens of mail trucks were forced to wait outside the new Palmetto facility – which obstructed traffic, leading the Palmetto Police Department to get involved.⁹ Furthermore, the PRC outlines how, in the Atlanta region, the average First-Class Mail letter delivered to an Atlanta address took 13.29 days to arrive, and the average delivery time for a single-piece first-class mail across the whole state increased by nearly 60%.¹⁰ Elsewhere, only 71% of mail in Houston, TX was delivered on time, and in Richmond, VA, the USPS Office of Inspector General noted that "the percentage of mail and packages delivered on time declined after the launch of the RPDC."¹¹

Our constituents, business owners, and hardworking Americans across the country rely on the United States Postal Service's effective and efficient mail delivery operations to pay their bills, receive life-saving medication, and even run their business. The USPS' nationwide network

¹¹ Ibid.

⁵ Page 15, Section titled "Deploying a best-in-class processing and delivery operations network," <u>Delivering for</u> <u>America – Second-Year Progress Report</u>, United States Postal Service, April 2023.

⁶ Ibid.

 ⁷ "The Postal Service has initiated transformation activities in RPDCs in nine regions: Richmond, Atlanta, Portland, Boise, Charlotte, Chicago, Houston, Jacksonville, and Indianapolis. The first RPDC launched in Richmond, Virginia in July 2023," <u>Order No. 7061</u> (Docket No. PI2023-4), Postal Regulatory Commission, April 26, 2024.
⁸ Ibid.

⁹ Metro Atlanta postal center built to make things easier could be to blame for major delays, WSB-TV Atlanta, March 13, 2024.

¹⁰ Order No. 7061 (Docket No. PI2023-4), Postal Regulatory Commission, April 26, 2024.

overhaul has extensively disrupted mail delivery operations for postal customers nationwide – causing our constituents immense trouble and grief in their everyday lives.¹²

The current mail delivery situation across the country, caused by USPS' failed network modernization plan, is completely unacceptable and was entirely preventable. The advisory opinion process was established by Congress to prevent such extensive nationwide service failures from ever occurring. The advisory opinion process was set up to provide the American people the necessary oversight and accountability for such a vital institution that they deserve. The Postal Service's continued ignorance of the legally required advisory opinion process is inexcusable.

Therefore, as Members of Congress who represent the millions of Americans affected by your disastrous postal operations changes, we demand that you follow the law and immediately seek an advisory opinion from the Postal Regulatory Commission for the previously described DFA plan initiatives – as is your legal obligation under 39 U.S.C. 3661(b). Additionally, we request a response by September 13, 2024, with confirmation that a request for an advisory opinion has been submitted to the Commission.

Sincerely,

Andrew S. Clyde Member of Congress

Sanford D. Bishop, Jr. Member of Congress

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Earl L. "Buddy" Carter Member of Congress

David Scott Member of Congress

¹² "It is clear that there has been a quantifiable decline in service across several regions during and after the implementation of new facility types. In fact, according to the service performance dashboard maintained by the Postal Service, nationwide service performance has declined substantially as the Postal Service has implemented the network changes described in this Order," <u>Order No. 7061</u> (Docket No. PI2023-4), Postal Regulatory Commission, April 26, 2024.