

May 14, 2024

The Honorable John Cornyn United States Senate Washington, DC 20510-4305

Dear Senator Cornyn:

I have spoken to HSGAC Chairman Peters about the efforts we are undertaking here to fix the Postal Service network, and the areas of concern that are included in the May 8 letter you jointly signed with Senate colleagues. I know we share the mutual goal to ultimately provide high-quality service for the American people in a financially sustainable manner.

Mail Processing Facility Reviews: You and the other Senate signatories of the letter are almost entirely concerned about the mail processing facility reviews (MPFRs) we are undertaking at approximately 60 (out of 427) processing plants. These facility reviews are primarily considering whether to move originating volume to fewer regional plants to create consistency, precision, and efficiency. I have attached a list of these sites, and it specifies the status of the facility study, its outcome if a final determination has been made, and the level of investment and cost savings.

In all cases on the list where we are moving a small subset of our operations, we are also making modernizing investments to significantly improve employee amenities and the automation equipment that helps our employees do their jobs, and as a result we are substantially enhancing our processing capability. In some cases, the movement of these operations is freeing up space so that a Sorting and Delivery Center can be co-located at the facility, which could end up adding to our employee complement at the site. These reviews will also achieve vitally necessary cost savings, most of which would be achieved from reduced transportation.

Please note that contrary to some misplaced assertions, the MPFR study is a process of transparency, where we have undertaken analysis, notified the public and interested stakeholders, and provided opportunity for public input -- all of which we have considered before making our decisions. Most of the MPFRs have not yet been implemented and the future plans to do so have not yet commenced, but the process has been transparent.

We do not see these planned actions as at all consequential to service; rather, they are important elements of achieving a network that can provide greater service reliability in a cost-effective manner. The career workforce will not see layoffs, new equipment will be installed, the facilities will not close, deferred maintenance will be performed, and working conditions will be substantially improved. I acknowledge that we have not been able to convince Congress of this, even though these efforts will both improve the facilities and facilitate the significant cost reductions that we absolutely must achieve to have any hope of financial sustainability.

That said, I suspect that these misconceptions are based on the past when the Postal Service did close these types of facilities as part of a decidedly different strategy, and conflated with some current service issues we are experiencing. I also know that there is legacy desire among some segment of our workforce at the local level to maintain the status quo, which I understand but frankly am disappointed by. Through continued training and education, we will work to try to change hearts and minds and to sell the virtues of our plan for service excellence and financial health.

Members of the Senate have also expressed concern about cases where originating volume (known as turnaround mail) is moved to be processed out of state or at a geographically more distant location. In all cases this is a distinct minority of volume (usually less than 15 percent). These actions will enable us to more efficiently handle most of the mail that is not turnaround mail, while still ensuring that we provide timely delivery for turnaround mail within established service standards. In your case, you have expressed concern about the Abilene, Corpus Christi, El Paso, Lubbock, McAllen, and Midland MPFRs, where we have determined that originating volume should be processed in Coppell, San Antonio, Amarillo, and Albuquerque, NM. Again, those changes have not taken place, nor is implementation planned yet.

As I have advised Senator Peters, and in response to the concerns you and your colleagues have expressed concerning movement of processing operations associated with the Mail Processing Facility Reviews, I will commit to pause any implementation of these moves at least until after January 1, 2025. Even then, we will advance these efforts only at a moderated pace of implementation. I will also continue to consider whether we should seek an advisory opinion from the Postal Regulatory Commission as a discretionary matter on our part, consistent with the process provided by 39 U.S.C. section 3661, again taking into account the relevant legal requirements.

I want to stipulate as part of the pause however, that the positive investments in the facilities on the attached list will also not commence, just as the annual cost savings associated with these mail moves will not be achieved while we pause. We estimate the expected annual cost savings of this initiative nationwide to be \$133-177 million, and the positive investments to be more than \$430 million.

I am continuing to evaluate any additional changes we have underway and will advise you of our approach to satisfy any of your concerns regarding their implementation or any PRC filing that might be warranted. I need more time to evaluate that consequential action and hope you understand the complexity of our challenge.

Finally, I have attached for your review my statement at the open session of our Board Meeting which took place last Thursday, May 9. This public statement more broadly states my position concerning our initiatives, our progress to date and the overall condition of the Postal Service when I arrived here. As the Senate's interest in Postal operations seems to have become elevated, I am hopeful you will find time to review it.

The statement describes the significant accomplishments and financial improvements the Postal Service has made since the release of the Delivering for America Plan. More importantly, it also sets forth the challenges we face in the future and the continued failure to recognize the changes required as represented by the actions we are taking.

Sincerety,

Louis DeJoy

Enclosures

MPFK Status Tracking + Final Decision Data

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Annual Savings	\$1.4M-\$1.8M	\$2.0M-\$2.7M		\$410K-\$550K	\$1.8M-\$2.4M	N/A	\$750K-\$1M	\$2.4M-\$3.2M	\$2.7M-\$3.5M	\$6.6M-\$8.8M	\$4.5M-\$5.9M	\$3.3M-\$4.3M	\$2.5M-\$3.3M	\$1.7M-\$2.3M	\$3.0M-\$3.9M	\$650K-\$860K	\$610K-\$810K	\$2.9M-\$3.8M	\$4.0M-\$5.4M	\$2.4M-\$3.2M	\$2.6M-\$3.5M	\$1.4M-\$1.9M	\$330K-\$440K	\$2.2M-\$3.0M	\$8.5M-\$11.3M	
Investment	\$6M-8M	₩6\$		\$3.5M	\$8M-\$10M	N/A	\$7M-\$9M	\$6M-\$8M	\$15M-\$20M	\$20M-\$30M	\$15.2M	\$8M	\$3.5M	\$4M	\$4-\$6M	\$3M	\$15-\$25M	W6\$	*	\$20M-\$30M	\$5M	\$12M-\$15M	\$1.5M	\$6M-\$8M	*	
Final Decision	4/16/24	8/25/23		3/26/24	4/16/24	3/29/24	4/23/24	4/16/24	4/23/24	4/2/24	4/30/24	3/19/24	3/26/24	3/6/24	4/9/24	3/26/24	4/9/24	3/19/24	8/25/23	4/9/24	3/19/24	4/9/24	3/26/24	4/16/24	12/1/23	
Ĭ	3/7/24	8/24/23		12/22/23	3/21/24	3/13/24	3/27/24	3/7/24	3/27/24	2/29/24	3/26/24	12/23/23	12/27/23	12/1/23	3/1/24	12/23/23	3/15/24	12/13/23	8/23/23	2/21/24	12/14/23	2/29/24	12/21/23	3/8/24	11/16/23	
Initial Findings	2/14/24	8/1/23		11/29/23	2/28/24	1/30/24	3/4/24	2/14/24	3/4/24	1/30/24	314/24	11/21/23	11/29/23	11n/23	2/6/24	11/29/23	1/30/24	11/21/23	8/1/23	1/30/24	11/21/23	2/6/24	11/29/23	2/14/24	10/25/23	
Date of Public Meeting	2/21/24	8/9/23	TBD	12/7/23	3/6/24	2/27/24	3/12/24	2/21/24	3/12/24	2/14/24	3/11/24	11/28/23	12/12/23	11/16/23	2/14/24	12/6/23	2/29/24	11/28/23	8/8/23	2/6/24	11/29/23	2/14/24	12/6/23	2/22/24	11/1/23	
Notice of Intent	1/10/24	7/12/23	1/10/24	11/8/23	1/10/24	11/22/23	1/10/24	1/10/24	1/10/24	11/22/23	1/10/24	10/25/23	11/8/23	10/18/23	1/10/24	11/8/23	11/22/23	10/25/23	7/12/23	11/22/23	10/25/23	1/10/24	11/8/23	1/10/24	9/27/23	
Status	Decision to Proceed	Decision to Proceed	Notice of Intent	Decision to	Decision to	Decision Not to	Decision to	Decision to	Decision to Proceed	Decision to Proceed	Decision to	Decision to Proceed	Decision to Proceed	Decision to	Decision to	Decision to Proceed	Decision to Proceed	Decision to	Decision to	Decision to	Decision to	Decision to		Decision to	Decision to	
Facility Change	Abilene, TX P&DC to North Texas P&DC	Augusta, GA P&DC to Atlanta, GA RPDC	Bemidji, MN P&DC to Fargo, ND P&DC	Bismarck, ND P&DC to Fargo, ND P&DC	Brockton, MA P&DC to Providence, RI	Buffalo, NY P&DC to Rochester, NY P&DC	Burlington P&DC in Essex Junction, VT to Hartford CT P&DC	Casper, WY P&DC to Billings, MT P&DC	Champaign, IL P&DC to South Suburban P&DC in Bedford Park, IL and Chicago South RPDC in Forest Park, IL	Charleston P&DC in South Charleston, WV to Pittsburgh, PA P&DC and Pennwood Place P&DC in Warrendale, PA	Charleston P&DC in North Charleston, SC to Columbia. SC P&DC	Chattanooga, TN P&DC to Nashville, TN P&DC and Music City. TN Annex	Cheyenne, WY P&DC to Denver, CO P&DC	Columbia, MO P&DC to St Louis, MO P&DC	Corpus Christi, TX P&DC to San Antonio,	Dakota Central P&DC in Huron, SD to Fargo, ND P&DC	Eastern Maine P&DC in Hampden, ME to Southern Maine P&DC in Scarborough, ME	El Paso, TX P&DC to Albuquerque, NM P&DC	Eugene, OR P&DC to Portland, OR RPDC	Fort Myers, FL P&DC to Tampa P&DC and Ybor City P&DC in Tampa, FL	Ft Wayne, IN P&DC to Indianapolis, IN RPDC	Fresno, CA P&DC to Sacramento P&DC in West Sacramento. CA	Grand Forks, ND P&DC to Fargo, ND P&DC	Grand Junction, CO P&DC to Denver, CO P&DC	Greenville, SC P&DC to Charlotte, SC RPDC	
GR Liaison Group	West	East	Midwest	Midwest	East	East	East	West	Midwest	Midwest	East	Midwest	West	Midwest	West	Midwest	East	West	West	East	Midwest	West	Midwest	West	East	⊕ 28
State	×	GA	M	2	MA	MY	5	₩	1	X	သွ	<u>K</u>	₩	MO	×	SD	ME	¥	R	귙	Ä	5	2	8	သွ	not availab eed revers
Study Name	Abilene	Augusta	Bemidji	Bismarck	Brockton	Buffalo	Burlington	Casper	Champaign	Charleston	Charleston	Chattanooga	Cheyenne	Columbia	Corpus Christi	Dakota Central (Huron)	Eastem Maine (Hampden)	EL Paso	Eugene	Fort Myers	Fort Wayne	Fresno	Grand Forks	Grand Junction	Greenville	•investment total not available •• Decision to proceed reversed

MPFK Status I racking + Final Decision Data	cking +	Final Decision	n Data								
Gulfport	MS	West	Gulfport, MS P&DC to Jackson, MS P&DC	Decision to	1/10/24	3/6/24	2/28/24	3/21/24	4/23/24	\$2M-\$3M	\$1.9M-\$2.6M
Iron Mountain	≅	Midwest	Iron Mountain P&DC in Kingsford, MI to Green Bay, WI P&DC	Decision to	1/10/24	4/1/24	2/1/24	4/16/24	5/7/24	\$3M-\$5M	\$1.1M-\$1.5M
Johnstown	PA	Midwest	Johnstown, PA P&DC to Pittsburgh, PA	Decision to	1/10/24	2/8/24	2/1/24	2/23/24	4/2/24	\$4M-\$6M	\$1.4M-\$1.8M
Knoxville	¥	Midwest	Knoxville TN P&DC to Nashville, TN P&DC to Nashville, TN P&DC to Nashville, TN	Decision to	10/25/23	11/30/23	11/21/23	12/15/23	4/2/24		\$3.1M-\$4.1M
Lehigh Valley	Ą	Midwest	Lehigh Valley, PA P&DC to Harrisburg, PA	Decision to	10/18/23	11/30/23	11/7/23	12/15/23	3/6/24	\$11M	\$5.3M-\$7.0M
Lubbock	¥	West	Lubbock, TX P&DC to Amarillo, TX P&DC	Decision to	1/10/24	2/23/24	1/30/24	3/9/24	4/9/24	\$3M-\$5M	\$2.6M-\$3.5M
Macon	& O	East	Macon, GA P&DC to Atlanta, GA RPDC	Decision to Proceed	7/12/23	8/8/23	8/1/23	8/23/23	8/25/23	*	\$3.9M-\$5.2M
Manchester	Ĭ	East	Manchester, NH P&DC to Boston, MA P&OC	Decision to	1/10/24	2/8/24	2/1/24	2/23/24	4/2/24	\$16M-\$18M	\$1.2M-\$1.5M
McAllen	Ķ	West	McAllen, TX P&DC to San Antonio, TX P&DC	Decision to Proceed	1/10/24	3/26/24	3/15/24	4/10/24	5/7/24	\$11M-\$13M	\$2.7M-\$3.5M
Medford	S.	West	Medford, OR P&DC to Portland, OR RPDC	Decision to	7/12/23	8/9/23	8/1/23	8/24/23	8/25/23	*	\$4.8M-\$6.4M
Midland	¥	West	Midland, TX P&DC to Amarillo, TX P&DC	Proceed Proceed	1/10/24	2/22/24	2/14/24	3/8/24	4/16/24	\$13M-\$15M	\$1.9M-\$2.5M
Minneapolis	Z	Midwest	Minneapolis, MN P&DC to St. Paul, MN	Decision to	9/27/23	11/1/23	10/25/23	11/16/23	12/1/23	*	\$3.4M-\$4.4M
Missoula	M	West	Missoula, MT P&DC to Spokane, WA P&DC	Proceed Decision to Proceed	1/10/24	3/15/24	3/6/24	3/30/24	4/30/24	\$12.2M	\$1.3M-\$1.7M
North Platte	뵘	Midwest	North Platte, NE P&DC to Denver, CO	Decision to	1/10/24	3/28/24	3/15/24	4/12/24	5/7/24	\$4M-\$6M	\$1.5M-\$1.9M
NW Arkansas (Favetteville)	AR	West	NW Arkansas P&DC in Fayetteville, AR to Oklahoma City, OK P&DC	Decision to	11/22/23	12/6/23	11/29/23	12/21/23	3/26/24	\$3.3M	\$2.5M-\$3.2M
Peoria	=	Midwest	Peoria, IL P&DC to South Suburban P&DC in Bedford Park. IL	Decision to	1/10/24	2/21/24	2/14/24	3/7/24	4/16/24	\$8M-\$10M	\$1.7M-\$2.2M
Provo	5	West	Provo, UT P&DC to Salt Lake City, UT ASF	Decision to	9/27/23	11/2/23	10/25/23	11/17/23	12/1/23	*	\$1.0M-\$1.3M
Quad Cities	2	Midwest	Quad Cities P&DC in Milan, IL to Des	Decision to	1/10/24	2/21/24	1/30/24	2/21/24	4/2/24	\$5M-\$10M	\$970K-\$1.3M
(Millari) Raleigh	Š	East	Noines, IA P&DC Raleigh, NC P&DC to Greensboro, NC P&DC and PDDC	Proceed Decision to	1/10/24	2/13/24	2/6/24	2/28/24	4/9/24	\$25M-\$27M	\$5.2M-\$7.0M
Reno	Ž	West	Reno, NV P&OC to Sacramento P&DC in West Sacramento CA	Decision to	1/10/24	2/13/24	2/6/24	2/28/24	4/23/24	\$12M-\$14M	\$3.1M-\$4.2M
Santa Barbara	8	West	Santa Barbara, CA P&DC to Santa Clarita,	Decision to	1/10/24	3/26/24	3/12/24	4/10/24	5/7/24	\$14M-\$18M	\$2.7M-\$3.8M
Sioux Falls	SD	Midwest	Sioux Falls, SD P&DC to Omaha, NE P&DC	Decision to Proceed	1/10/24	3/13/24	3/6/24	3/28/24	4/30/24	\$12.75M	\$2.0M-\$2.6M
South Jersey	3	East	South Jersey P&DC in Bellmawr, NJ to	Decision to	1/10/24	3/7/24	2/28/24	3/21/24	4/23/24	\$20M-\$25M	\$4.0M-\$5.4M
South Suburban	II.	Midwest	South Suburban P&DC in Bedford Park, IL	Not Implemented**	9/27/23	11/1/23	10/25/23	11/16/23	11/16/23	AIIA	NA
Springfield	닐	Midwest	paringfield, IL P&DC to St. Louis, MO	Decision to	1/10/24	3/26/24	3/15/24	4/10/24	5/7/24	\$5M-\$8M	\$700K-\$930K
Tacoma	WA	West	Tacoma, WA P&DC to Seattle, WA P&DC	Decision to	10/25/23	11/28/23	11/21/23	12/13/23	3/19/24	\$5M	\$1.1M-\$1.5M
Tallahassee	占	East	Tallahassee, FL P&DC to Jacksonville, FL	Decision to	10/18/23	11/14/23	11/7/23	11/29/23	3/6/24	\$5M	\$4.9M-\$6.5M
Trenton	3	East	Trenton, NJ P&DC to Philadelphia, PA	Decision to	9/27/23	11/2/23	10/25/23	11/17/23	12/1/23	*	\$3.7M-\$4.8M
Tulsa	š	West	Tulsa, OK P&DC to Oklahoma City, OK P&DC	Decision to	1/10/24	3/7/24	2/28/24	3/22/24	4/30/24	\$22.5M	\$3.6M-\$4.7M
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investment total not availableDecision to proceed reversed

MPPR Status Tracking + Final Decision Data	acking +	rinal Decisio	in Data								
Waterloo	≰	Midwest	Waterloo, IA P&DC to Des Moines, IA	Decision to	1/10/24	3/26/24	3/15/24	4/10/24	5/7/24	\$6M-\$8M	\$860K-\$1.1M
			P&DC	Proceed							
Wenatchee	×	West	Wenatchee, WA P&DC to Spokane, WA	Decision to	10/25/23	11/29/23	11/21/23	12/14/23	3/19/24	\$2M-\$3M	\$270K-\$360K
			P&DC	Proceed							
White River	5	East	White River Junction, VT P&DC to Hartford,	Decision to	1/10/24	3/26/24	3/15/24	4/10/24	5/7/24	\$4M-\$6M	\$710K-\$940K
Junction				Proceed							
Wilmington	님	East	Wilmington, DE P&DC to Philadelphia, PA	Decision to	10/18/23	11/29/23	11/21/23	12/14/23	3/6/24	W6\$	\$3.1M-\$4.2M
			P&DC	Proceed							
Yakima	××	West	Yakima, WA P&DC to Spokane, WA P&DC	Decision to	1/10/24	2/28/24	2/14/24	3/14/24	4/16/24	\$4M-\$6M	\$80K-\$110K
				Proceed	11.0000000						
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*Investment total not available
** Decision to proceed reversed