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JUN 28 2022



June 23, 2022

Mr. Ivan D. Butts
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Mr. Butts:

As a matter of general interest, today the Postal Service will announce the implementation of upgraded service standards for USPS Retail Ground (RG) and Parcel Select Ground (PSG) products, effective Aug. 1, 2022. Within the contiguous United States, service standards for these products will be accelerated from two- to eight-days to two- to five-days for the same affordable price. These service standard changes further the "Delivering for America" 10-year plan to achieve service excellence.

On March 21, 2022, the Postal Service filed a request with the Postal Regulatory Commission (PRC) for an advisory opinion regarding proposed changes to the service standards for RG and PSG competitive products. Following a hearing on the record, on June 9, 2022, the Commission issued an advisory opinion acknowledging the change improves service, and therefore generally benefits mailers and is in the public interest. The Commission made certain recommendations in its opinion, and the Postal Service will, consistent with those recommendations, closely monitor the impacts of the change to ensure it achieves the anticipated operational and customer service benefits.

RG is a ground shipping product for packages, thick envelopes and tubes (with a maximum weight of 70 pounds) that are not required to be mailed via First-Class Mail service and are available only through retail channels. PSG is an economical ground delivery service similar to RG for commercial shippers.

The Postal Service is aligning the RG and PSG service standards with the current First-Class Package Service (FCPS) standards within the contiguous United States. Processing this mail with FCPS packages will enhance customer service and better optimize the Postal Service's package processing and surface transportation networks.

We have enclosed a Press Release, Fact Sheet, Stand-Up Talk and "Talking Points and Frequently Asked Questions" (FAQ) relevant to this matter.

Please contact Bruce Nicholson at extension 7773 if you have questions concerning this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "David E. Mills", with a stylized flourish extending to the right.

David E. Mills
Director
Labor Relations Policies and Programs

Enclosures



FOR IMMEDIATE RELEASE
June 23, 2022

POSTAL NEWS

Contact: Sue Brennan
Sue.Brennan@usps.gov
usps.com/news



Postal Service Accelerates Delivery for Retail Ground, Parcel Select Ground Products

WASHINGTON — Today, the Postal Service announced it will implement upgraded service standards for its USPS Retail Ground (RG) and Parcel Select Ground (PSG) products effective Aug. 1, 2022. Within the contiguous United States, service standards for these products will be accelerated from two- to eight-days to two- to five-days for the same affordable price. Items containing hazardous materials or live animals are not eligible for the upgraded service standards.

RG is a ground shipping product for packages, thick envelopes and tubes (with a maximum weight of 70 pounds) that are not required to be mailed via First-Class Mail service and are available only through retail channels. PSG is an economical ground delivery service similar to RG for commercial shippers.

The Postal Service is aligning the RG and PSG service standards with the current First-Class Package Service (FCPS) standards within the contiguous US. Processing this mail with FCPS packages will enhance customer service and better optimize the Postal Service's package processing and surface transportation networks.

"Upgrading service standards for Retail Ground and Parcel Select Ground products is another way we are improving delivery for our customers," said Postmaster General Louis DeJoy. "Offering faster, affordable delivery is how we will become the best in the industry."

On March 21, 2022, the Postal Service filed a request with the Postal Regulatory Commission for an advisory opinion regarding proposed changes to the service standards for RG and PSG competitive products. Following a hearing on the record, on June 9, 2022, the Commission issued an advisory opinion acknowledging the change improves service, and therefore generally benefits mailers and is in the public interest. The Commission made certain recommendations in its opinion, and the Postal Service will, consistent with those recommendations, closely monitor the impacts of the change to ensure it achieves the anticipated operational and customer service benefits.

These service standard changes further the Delivering for America 10-year plan to achieve service excellence, defined as meeting or exceeding 95 percent on time delivery across all product categories, and financial sustainability.

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products, and services to fund its operations.

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For reporters interested in speaking with a regional Postal Service public relations professional, please go to about.usps.com/news/media-contacts/usps-local-media-contacts.pdf.

DELIVERING FOR AMERICA

What you need to know about the United States Postal Service® Plan to achieve financial sustainability and service excellence.

ACCELERATING DELIVERY FOR USPS RETAIL GROUND AND PARCEL SELECT GROUND PRODUCTS

Effective Aug. 1, 2022, the Postal Service will upgrade the service standards for its USPS Retail Ground (RG) and Parcel Select Ground (PSG) competitive products. Within the contiguous United States, the service standards for these products will be accelerated from the current two- to eight-day standard to a two- to five-day standard for the same affordable price.

Items containing hazardous materials or live animals are not eligible for the upgraded service standards.

To improve delivery time, RG and PSG will generally be processed and transported together with First Class Package Service (FCPS). This will also enable additional optimization and better utilization of the Postal Service's package processing and surface transportation networks.

On March 21, 2022, the Postal Service filed a request with the Postal Regulatory Commission for an advisory opinion regarding proposed changes to the service standards for RG and PSG competitive products. Following a hearing on the record, on June 9, 2022, the Commission issued an advisory opinion acknowledging the change improves service, and therefore generally benefits mailers and is in the public interest. The Commission made certain recommendations in its opinion, and the Postal Service will, consistent with those recommendations, closely monitor the impacts of the change to ensure it achieves the anticipated operational and customer service benefits.

The new service standards further the Delivering for America 10-year plan to achieve service excellence, defined as meeting or exceeding 95 percent on time delivery across all product categories, and financial sustainability.

Retail Ground and Parcel Select Ground products defined:

- USPS Retail Ground is a ground shipping product for packages, thick envelopes, and tubes (with a maximum weight of 70 pounds) that are not required to be mailed as First-Class Mail service, available only through retail channels.
- Parcel Select is an economical ground delivery service similar to RG but for commercial customers of all sizes.



WANT TO LEARN MORE ABOUT THE PLAN?

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DELIVERING FOR AMERICA

What you need to know about the United States Postal Service® Plan to achieve financial sustainability and service excellence.

Q: How will the USPS Retail Ground (RG) and Parcel Select Ground (PSG) product service standard change benefit customers?

A: In addition to improving delivery times for RG and PSG products, customers will also benefit from affordable, medium-speed, shipping service for packages in excess of one pound.

Q: Does this change apply to all RG and PSG packages?

A: No. Packages containing hazardous materials would not be included in the proposed service standard. Hazardous materials in the contiguous US will, therefore, continue to be transported by ground in accordance with the current two- to eight-day service standard. In addition, service standards for offshore shipments would remain unchanged at this time.

Items containing hazardous materials or live animals are not eligible for the upgraded service standards.

Q: When will the new service standards be implemented?

A: Aug. 1, 2022.



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Visit us online at usps.com/deliveringforamerica



Mandatory Stand-Up Talk

June 23, 2022

USPS accelerates delivery for Retail Ground, Parcel Select Ground

The Postal Service will adjust the service standards for its Retail Ground and Parcel Select Ground products, effective Aug. 1.

Within the contiguous United States, service standards will be accelerated from two-to-eight-days to two-to five-days for the same affordable price.

Under this change, customers will experience faster delivery.

In addition to enhancing service and accelerating delivery times, customers will benefit from an affordable, medium-speed, shipping service for packages in excess of one pound.

To improve delivery time, Retail Ground and Parcel Select Ground will generally be processed and transported together with First Class Package Service. To clarify, this means Retail Ground and Parcel Select Ground will no longer be processed at Network Distribution Centers. Moving forward, Retail Ground and Parcel Select Ground will be processed at the same processing plants as First-Class Package Service.

This will also allow additional optimization and better use of the Postal Service's package processing and surface transportation networks.

Items containing hazardous materials or live animals are not eligible for the upgraded service standards.

These service standard changes further the Delivering for America 10-year plan to achieve service excellence, defined as meeting or exceeding 95 percent on time delivery across all product categories, and financial sustainability.

Thank you for listening.

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Talking Points and Frequently Asked Questions

USPS Retail Ground and Parcel Select Ground Service Standard Changes

Talking Points

- The Postal Service is upgrading the service standards for its USPS Retail Ground (RG) and Parcel Select Ground (PSG) competitive products effective Aug. 1, 2022.
- Within the contiguous United States, service standards will be accelerated from two- to eight-days to two- to five-days for the same affordable price.
- To improve delivery time, RG and PSG will generally be processed and transported together with First Class Package Service (FCPS). This will also enable additional optimization and better utilization of the Postal Service's package processing and surface transportation networks.
- Items containing hazardous materials or live animals are not eligible for the upgraded service standards.
- On March 21, 2022, the Postal Service filed a request with the Postal Regulatory Commission for an advisory opinion regarding proposed changes to the service standards for RG and PSG competitive products. Following a hearing on the record, on June 9, 2022, the Commission issued an advisory opinion acknowledging the change improves service, and therefore generally benefits mailers and is in the public interest. The Commission made certain recommendations in its opinion, and the Postal Service will, consistent with those recommendations, closely monitor the impacts of the change to ensure it achieves the anticipated operational and customer service benefits.
- The change builds on the Delivering for America 10-year plan to achieve service excellence, defined as meeting or exceeding 95 percent on time delivery across all product categories, and financial sustainability.

FAQs

1. What is Retail Ground and Parcel Select Ground?

USPS Retail Ground is a ground shipping product for packages, thick envelopes, and tubes (with a maximum weight of 70 pounds) that are not required to be mailed via First-Class Mail service, available only through retail channels.

Parcel Select is an economical ground delivery service similar to RG for commercial shippers.

2. What changes are happening to RG and PSG?

The proposed RG and PSG service standards align to the current FCPS service standards within the contiguous US. RG and PSG volume is currently processed and transported via the NDC network. This volume will now be processed with FCPS package volume. This will enable the optimization of the Postal Service's package processing and surface transportation networks.

3. What are the new standards for RG and PSG?

The RG and PSG delivery standards are being upgraded from two- to eight-days to two- to five-days within the contiguous US. Items containing hazardous materials or live animals are not eligible for the upgraded service standards.

MAIL CLASS	CURRENT SERVICE STANDARDS	NEW SERVICE STANDARDS
PARCEL SELECT GROUND	2 – 8 DAYS	2 – 5 DAYS
USPS RETAIL GROUND	2 – 8 DAYS	2 – 5 DAYS

- 4. Why don't the new service standards apply to RG and PSG outside the contiguous US?**
The opportunity for improvement lies with the efficient use of a well-designed surface transportation network that makes optimal use of capacity, which cannot be well achieved outside the contiguous U.S. As a result, RG and PSG packages sent to or from domestic locations outside the contiguous US will continue to be shipped in accordance with the two- to eight-day service standards at this time.
- 5. How will this service standard change benefit customers?**
Customers will experience faster delivery. In addition to enhancing service and accelerating delivery times, customers will also benefit from an affordable, medium-speed, shipping service for packages in excess of one pound.
- 6. Does this change apply to all RG and PSG packages?**
No. Packages containing hazardous materials would not be included in the proposed service standard. Hazardous materials in the contiguous US will, therefore, continue to be transported by ground in accordance with the current two- to eight-day service standard. In addition, service standards for offshore shipments would remain unchanged at this time.
- 7. Why are the service standards for RG and PSG changing?**
The RG and PSG service standards are being accelerated to enhance service to customers. The change will also enable additional optimization and better utilization of the Postal Service's package processing and surface transportation networks.
- 8. When will the change happen?**
Aug. 1, 2022