

NATIONAL ASSOCIATION OF POSTAL SUPERVISORS

National Headquarters 1727 KING STREET, SUITE 400 ALEXANDRIA, VA 22314-2753 (703) 836-9660

September 24, 2024

Board Memo 139-2024: Notice to Facilities Regarding MPFR Results

Executive Board,

NAPS HQ has been provided from the USPS plans to retain certain local mail processing operations at the facilities listed below. The proposed operational strategy anticipated staffing impacts due to relocating mail processing operations. However, there will be no anticipated employees impacted.

Stand-Up Talks will be provided to employees at the four locations mentioned below.

- Burlington P&DC in Essex Junction, VT
- El Paso P&DC in El Paso, TX
- Knoxville P&DC in Knoxville, TN
- Northwest Arkansas, AR P&DC in Fayetteville, AR

Thank you, and be safe.

NAPS Headquarters





September 18, 2024

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

Certified Mail Number 9589 0710 5270 0684 7741 95

1

Dear Ivan:

This is in further reference to the Postal Service's correspondences announcing its decision to proceed with implementation of Mail Processing Facility Reviews (MPFR) at several facilities. Specifically, implementation of the MPFRs at:

- Burlington Processing and Distribution Center (P&DC) in Essex Junction, Vermont
- El Paso P&DC in El Paso, Texas
- Knoxville P&DC in Knoxville, Tennessee
- Northwest (NW) Arkansas, Arkansas (AR) P&DC in Fayetteville, AR

The Postal Service has announced, today, it's plans to retain certain local mail processing operations at these facilities.

The decision to leave those operations at these facilities was made possible due to a proposed operational strategy aimed at increasing efficiency, improving service quality, and saving USPS an additional \$3 billion per year nation-wide. This proposed strategy was outlined in a recent notice and pre-filing conference in a regulatory matter before the Postal Regulatory Commission. The significant savings generated by this proposed operational strategy would enable the Postal Service to absorb the cost of continuing to provide local cancellation services.

As a result, the Postal Service would no longer need to relocate local originating mail processing operations outside of these facilities. The Postal Service initially anticipated staffing impacts due to the proposed move of certain local originating mail processing operations. However, with the decision to keep these operations, there would be no anticipated employee impacts.

Enclosed is a stand-up talk that will be provided to employees and a press release that was announced today.

Sincerely,

Bruce A. Nicholson Director Labor Relations Policies and Programs

Enclosures

475 L'ENFANT PLAZA SW WASHINGTON, DC 20260-4101 WWW.USPS.COM September 18, 2024 STAND-UP TALK

Proposed Operational Strategy to Save \$3 Billion Annually on a Nation-Wide Basis Will Enable Postal Service to Absorb the Costs of Certain Local Originating Mail Processing Operations so they can Remain in Burlington

Savings created by new strategy – which is under review by the Postal Regulatory Commission – will negate need to relocate Burlington facility's local mail processing originating operations

Previously committed \$8.0 million USPS investment in Burlington facility to move forward as part of 10-year Delivering for America plan to modernize the nation's aged and neglected postal network

No anticipated employee impacts with the decision to keep these operations at the Burlington facility

BURLINGTON, VT – The United States Postal Service (USPS) has announced plans to retain certain local mail processing operations at the Burlington postal facility in Burlington, VT. This decision to leave those operations in Burlington is made possible due to a proposed operational strategy aimed at increasing efficiency, improving service quality, and saving USPS an additional \$3 billion per year nation-wide. This proposed strategy was outlined in a recent notice and pre-filing conference in a regulatory matter before the Postal Regulatory Commission. The significant savings generated by this proposed operational strategy would enable the Postal Service to absorb the cost of continuing to provide local cancellation service in Burlington. As a result, the Postal Service would now not need to relocate local originating mail processing operations outside of the Burlington facility. This ensures that mail being delivered from one address in Burlington to another would not leave the region for processing. This update follows a previous USPS decision to shift local originating mail processing operations to the Hartford Processing and Distribution Center (P&DC) in Hartford, CT, in 2025.

The Burlington facility will also see changes designed to boost its services, thanks to a previously announced USPS investment of \$8.0 million. These changes will not impact business mail entry, Post Office, station, and branch retail services. Once the facility becomes a Local Processing Center (LPC), it is expected to handle package mailing and shipping, letters, and flats. The LPC is also expected to offer express services and accept bulk and permit mail, further improving its delivery services.

"Our proposed operational strategy, which is currently under review by the PRC, will generate substantial savings for the Postal Service. This strategy provides a solution that will ensure our organization can cover the cost of local originating mail processing operations in the Burlington facility," **said Postmaster General Louis DeJoy**. "Moreover, our Delivering for America plan is channeling \$8.0 million into upgrading the Burlington facility. This investment goes beyond just enhancing the work environment for our employees. It's about equipping the facility with the necessary technology and resources to deliver top-notch service to the local community for the foreseeable future."

Proposed operational improvements and corresponding refinements within the current service standards will enable USPS to improve efficiency, save money, and sustain certain local originating mail processing at Burlington facility

On August 22, the USPS began the regulatory process with the PRC, proposing operational improvements and refinements within current service standards. These enhancements aim to strengthen service reliability, increase cost efficiency, and boost overall productivity. The changes, which would take effect after this year's Election and Peak Season, will allow certain local originating mail processing operations to remain in Burlington due to significant savings.

Earlier this year, the Burlington processing facility was part of the Mail Processing Facility Reviews. The main objective of these reviews was to find cost efficiencies, primarily through transportation savings. By implementing the changes proposed in the notice to the PRC, the Postal Service intends to achieve further operational efficiencies and optimizations. These would be in addition to transportation savings but achieved through different strategies than those used in certain Mail Processing Facility Reviews.

If the regulatory process is successful, there will be no change to the location for certain local originating mail processing and cancellation operations in Burlington. In simpler terms, single piece mail that is sent from Burlington to be delivered in Burlington will continue to be processed at its current location.

No anticipated employee impacts

The Postal Service initially anticipated staffing impacts due to the proposed move of certain local originating mail processing operations to the Hartford P&DC. However, with the decision to keep these operations at the Burlington facility, there would be no anticipated employee impacts.

This remains consistent with the stance taken in April, where no career layoffs were part of the initiative. In fact, as part of its investment strategy in the Burlington facility, the Postal Service is focusing on enhancing package processing and shipping capacity. This could potentially lead to increased plant activity and a future need for additional staffing support.

USPS to invest up to \$8.0 million in Burlington facility

As amounced in April, the Postal Service will invest up to \$8.0 million in the Burlington LPC, which will result in expanded and streamlined package and mail processing and distribution capabilities for the facility. These investments include \$4.1 million for modernization efforts and deferred maintenance. For example, these funds will be used for new workplace amenities for Postal Service employees such as new lighting and renovated bathrooms and breakrooms. To help improve delivery services, investments totaling \$3.9 million will be made to locate a Flex Rover Sorter Quad into the facility.

Proposed Operational Strategy to Save \$3 Billion Annually on a Nation-Wide Basis Will Enable Postal Service to Absorb the Costs of Certain Local Originating Mail Processing Operations so they can Remain in El Paso

Savings created by new strategy – which is under review by the Postal Regulatory Commission – will negate need to relocate El Paso facility's local mail processing originating operations

Previously committed \$9.0 million USPS investment in El Paso facility to move forward as part of 10-year Delivering for America plan to modernize the nation's aged and neglected postal network

No anticipated employee impacts with the decision to keep these operations at the EI Paso facility

EL PASO, TX – The United States Postal Service (USPS) has announced plans to retain certain local mail processing operations at the El Paso postal facility in El Paso, TX. This decision to leave those operations in El Paso is made possible due to a proposed operational strategy aimed at increasing efficiency, improving service quality, and saving USPS an additional \$3 billion per year nation-wide. This proposed strategy was outlined in <u>a recent notice</u> and pre-filing conference in a regulatory matter before the Postal Regulatory Commission. The significant savings generated by this proposed operational strategy would enable the Postal Service to absorb the cost of continuing to provide local cancellation service in El Paso. As a result, the Postal Service would now not need to relocate local originating mail processing operations outside of the El Paso facility. This ensures that mail being delivered from one address in El Paso to another would not leave the region for processing. This update follows a previous USPS decision to shift local originating mail processing operations to the to Albuquerque Processing and Distribution Center (P&DC) in Albuquerque, NM, in 2025.

The EI Paso facility will also see changes designed to boost its services, thanks to a previously announced USPS investment of \$9.0 million. These changes will not impact business mail entry, Post Office, station, and branch retail services. Once the facility becomes a Local Processing Center (LPC), it is expected to handle package mailing and shipping, letters, and flats. The LPC is also expected to offer express services and accept bulk and permit mail, further improving its delivery services.

"Our proposed operational strategy, which is currently under review by the PRC, will generate substantial savings for the Postal Service. This strategy provides a solution that will ensure our organization can cover the cost of local originating mail processing operations in the El Paso facility," **said Postmaster General Louis DeJoy**. "Moreover, our Delivering for America plan is channeling \$9.0 million into upgrading the El Paso facility. This investment goes beyond just enhancing the work environment for our employees. It's about equipping the facility with the necessary technology and resources to deliver top-notch service to the local community for the foreseeable future."

Proposed operational improvements and corresponding refinements within the current service standards will enable USPS to improve efficiency, save money, and sustain certain local originating mail processing at El Paso facility

On August 22, the USPS began the regulatory process with the PRC, proposing operational improvements and refinements within current service standards. These enhancements aim to strengthen service reliability, increase cost efficiency, and boost overall productivity. The changes, which would take effect after this year's Election and Peak Season, will allow certain local originating mail processing operations to remain in El Paso due to significant savings.

Earlier this year, the El Paso processing facility was part of the Mail Processing Facility Reviews. The main objective of these reviews was to find cost efficiencies, primarily through transportation savings. By implementing the changes proposed in the notice to the PRC, the Postal Service intends to achieve further operational efficiencies and optimizations. These would be in addition to transportation savings but achieved through different strategies than those used in certain Mail Processing Facility Reviews.

If the regulatory process is successful, there will be no change to the location for certain local originating mail processing and cancellation operations in El Paso. In simpler terms, single piece mail that is sent from El Paso to be delivered in El Paso will continue to be processed at its current location.

No anticipated employee impacts

The Postal Service initially anticipated staffing impacts due to the proposed move of certain local originating mail processing operations to the Albuquerque P&DC. However, with the decision to keep these operations at the El Paso facility, there would be no anticipated employee impacts.

This remains consistent with the stance taken in April, where no career layoffs were part of the initiative. In fact, as part of its investment strategy in the El Paso facility, the Postal Service is focusing on enhancing package processing and shipping capacity. This could potentially lead to increased plant activity and a future need for additional staffing support.

USPS to invest up to \$9.0 million in El Paso facility

As announced in April, the Postal Service will invest up to \$9.0 million in the El Paso LPC, which will result in expanded and streamlined package and mail processing and distribution capabilities for the facility. These investments will be used for new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

September 18, 2024 STAND-UP TALK

Proposed Operational Strategy to Save \$3 Billion Annually on a Nation-Wide Basis Will Enable Postal Service to Absorb the Costs of Certain Local Originating Mail Processing Operations so they can Remain in Knoxville

Savings created by new strategy – which is under review by the Postal Regulatory Commission – will negate need to relocate Knoxville facility's local mail processing originating operations

Previously committed \$9.0 million USPS investment in Knoxville facility to move forward as part of 10-year Delivering for America plan to modernize the nation's aged and neglected postal network

No anticipated employee impacts with the decision to keep these operations at the Knoxville facility

KNOXVILLE, TN – The United States Postal Service (USPS) has announced plans to retain certain local mail processing operations at the Knoxville postal facility in Knoxville, TN. This decision to leave those operations in Knoxville is made possible due to a proposed operational strategy aimed at increasing efficiency, improving service quality, and saving USPS an additional \$3 billion per year nation-wide. This proposed strategy was outlined in a recent notice and pre-filing conference in a regulatory matter before the Postal Regulatory Commission. The significant savings generated by this proposed operational strategy would enable the Postal Service to absorb the cost of continuing to provide local cancellation acrivice in Knoxville. As a result, the Postal Service would now not need to relocate local originating mail processing operations outside of the Knoxville facility. This ensures that mail being delivered from one address in Knoxville to another would not leave the region for processing. This update follows a previous USPS decision to shift local originating mail processing operations to the Nashville Processing and Distribution Center (P&DC) in Nashville, TN, in 2025.

The Knoxville facility will also see changes designed to boost its services, thanks to a previously announced USPS investment of \$9.0 million. These changes will not impact business mail entry, Post Office, station, and branch retail services. Once the facility becomes a Local Processing Center (LPC), it is expected to handle package mailing and shipping, letters, and flats. The LPC is also expected to offer express services and accept bulk and permit mail, further improving its delivery services.

"Our proposed operational strategy, which is currently under review by the PRC, will generate substantial savings for the Postal Service. This strategy provides a solution that will ensure our organization can cover the cost of local originating mail processing operations in the Knoxville facility," **said Postmaster General Louis DeJoy**. "Moreover, our Delivering for America plan is channeling \$9.0 million into upgrading the Knoxville facility. This investment goes beyond just enhancing the work environment for our employees. It's about equipping the facility with the necessary technology and resources to deliver top-notch service to the local community for the foreseeable future."

<u>Proposed operational improvements and corresponding refinements within the current service</u> <u>standards will enable USPS to improve efficiency, save money, and sustain certain local</u> <u>originating mail processing at Knoxville facility</u>

On August 22, the USPS began the regulatory process with the PRC, proposing operational improvements and refinements within current service standards. These enhancements aim to strengthen service reliability, increase cost efficiency, and boost overall productivity. The changes, which would take effect after this year's Election and Peak Season, will allow certain local originating mail processing operations to remain in Knoxville due to significant savings.

Earlier this year, the Knoxville processing facility was part of the Mail Processing Facility Reviews. The main objective of these reviews was to find cost efficiencies, primarily through transportation savings. By implementing the changes proposed in the notice to the PRC, the Postal Service intends to achieve further operational efficiencies and optimizations. These would be in addition to transportation savings but achieved through different strategies than those used in certain Mail Processing Facility Reviews.

If the regulatory process is successful, there will be no change to the location for certain local originating mail processing and cancellation operations in Knoxville. In simpler terms, single piece mail that is sent from Knoxville to be delivered in Knoxville will continue to be processed at its current location.

No anticipated employee impacts

The Postal Service initially anticipated staffing impacts due to the proposed move of certain local originating mail processing operations to the Nashville Processing and Distribution Center (P&DC) in Nashville, TN. However, with the decision to keep these operations at the Knoxville facility, there would be no anticipated employee impacts.

This remains consistent with the stance taken in April, where no career layoffs were part of the initiative. In fact, as part of its investment strategy in the Knoxville facility, the Postal Service is focusing on enhancing package processing and shipping capacity. This could potentially lead to increased plant activity and a future need for additional staffing support.

USPS to invest up to \$9.0 million in Knoxville facility

As announced in April, the Postal Service will invest up to \$9.0 million in the Knoxville LPC, which will result in expanded and streamlined package and mail processing and distribution capabilities for the facility. These investments will be used for new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

September 18, 2024 STAND-UP TALK

Proposed Operational Strategy to Save \$3 Billion Annually on a Nation-Wide Basis Will Enable Postal Service to Absorb the Costs of Certain Local Originating Mail Processing Operations so they can Remain in Fayetteville

Savings created by new strategy – which is under review by the Postal Regulatory Commission – will negate need to relocate NW Arkansas facility's local mail processing originating operations

Previously committed \$3.3 million USPS investment in NW Arkansas facility to move forward as part of 10-year Delivering for America plan to modernize the nation's aged and neglected postal network

No anticipated employee impacts with the decision to keep these operations at the NW Arkansas facility

FAYETTEVILLE, AR – The United States Postal Service (USPS) has announced plans to retain certain local mail processing operations at the NW Arkansas postal facility in Fayetteville, AR. This decision to leave those operations in Fayetteville is made possible due to a proposed operational strategy aimed at increasing efficiency, improving service quality, and saving USPS an additional \$3 billion per year nation-wide. This proposed strategy was outlined in <u>a recent notice</u> and pre-filing conference in a regulatory matter before the Postal Regulatory Commission. The significant savings generated by this proposed operational strategy would enable the Postal Service to absorb the cost of continuing to provide local cancellation service in Fayetteville. As a result, the Postal Service would now not need to relocate local originating mail processing operations outside of the NW Arkansas facility. This ensures that mail being delivered from one address in Fayetteville to another would not leave the region for processing. This update follows a previous USPS decision to shift local originating mail processing operations to the to Oklahoma City Processing and Distribution Center (P&DC) in Oklahoma City, OK, in 2025.

The NW Arkansas facility will also see changes designed to boost its services, thanks to a previously announced USPS investment of \$3.3 million. These changes will not impact business mail entry, Post Office, station, and branch retail services. Once the facility becomes a Local Processing Center (LPC), it is expected to handle package mailing and shipping, letters, and flats. The LPC is also expected to offer express services and accept bulk and permit mail, further improving its delivery services.

"Our proposed operational strategy, which is currently under review by the PRC, will generate substantial savings for the Postal Service. This strategy provides a solution that will ensure our organization can cover the cost of local originating mail processing operations in the NW Arkansas facility," **said Postmaster General Louis DeJoy**. "Moreover, our Delivering for America plan is channeling \$3.3 million into upgrading the NW Arkansas facility. This investment goes beyond just enhancing the work environment for our employees. It's about equipping the facility with the necessary technology and resources to deliver top-notch service to the local community for the foreseeable future."

Proposed operational improvements and corresponding refinements within the current service standards will enable USPS to improve efficiency, save money, and sustain certain local originating mail processing at NW Arkansas facility

On August 22, the USPS began the regulatory process with the PRC, proposing operational improvements and refinements within current service standards. These enhancements aim to strengthen service reliability, increase cost efficiency, and boost overall productivity. The changes, which would take effect after this year's Election and Peak Season, will allow certain local originating mail processing operations to remain in Fayetteville due to significant savings.

Earlier this year, the NW Arkansas processing facility was part of the Mail Processing Facility Reviews. The main objective of these reviews was to find cost efficiencies, primarily through transportation savings. By implementing the changes proposed in the notice to the PRC, the Postal Service intends to achieve further operational efficiencies and optimizations. These would be in addition to transportation savings but achieved through different strategies than those used in certain Mail Processing Facility Reviews.

If the regulatory process is successful, there will be no change to the location for certain local originating mail processing and cancellation operations in Fayetteville. In simpler terms, single piece mail that is sent from Fayetteville to be delivered in Fayetteville will continue to be processed at its current location.

No anticipated employee impacts

The Postal Service initially anticipated staffing impacts due to the proposed move of certain local originating mail processing operations to the Oklahoma City P&DC. However, with the decision to keep these operations at the NW Arkansas facility, there would be no anticipated employee impacts.

This remains consistent with the stance taken in April, where no career layoffs were part of the initiative. In fact, as part of its investment strategy in the NW Arkansas facility, the Postal Service is focusing on enhancing package processing and shipping capacity. This could potentially lead to increased plant activity and a future need for additional staffing support.

USPS to invest up to \$3.3 million in NW Arkansas facility

As announced in April, the Postal Service will invest up to \$3.3 million in the NW Arkansas LPC, which will result in expanded and streamlined package and mail processing and distribution capabilities for the facility. These investments will be used for new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.



POSTAL NEWS

FOR IMMEDIATE RELEASE Sept. 18, 2024



Contact: HOLD

Proposed Operational Strategy to Save \$3 Billion Annually on a Nation-Wide Basis Will Enable Postal Service to Absorb the Costs of Certain Local Originating Mail Processing Operations so they can Remain in Burlington

Savings created by new strategy – which is under review by the Postal Regulatory Commission – will negate need to relocate Burlington facility's local mail processing originating operations

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BURLINGTON, VT – The United States Postal Service (USPS) has announced plans to retain certain local mail processing operations at the Burlington postal facility in Burlington, VT. This decision to leave those operations in Burlington is made possible due to a proposed operational strategy aimed at increasing efficiency, improving service quality, and saving USPS an additional \$3 billion per year nation-wide. This proposed strategy was outlined in <u>a recent notice</u> and pre-filing conference in a regulatory matter before the Postal Regulatory Commission. The significant savings generated by this proposed operational strategy would enable the Postal Service to absorb the cost of continuing to provide local cancellation service in Burlington. As a result, the Postal Service would now not need to relocate local originating mail processing operations outside of the Burlington facility. This ensures that mail being delivered from one address in Burlington to another would not leave the region for processing. This update follows a previous USPS decision to shift local originating mail processing operations to the Hartford Processing and Distribution Center (P&DC) in Hartford, CT, in 2025.

The Burlington facility will also see changes designed to boost its services, thanks to a previously announced USPS investment of \$8.0 million. These changes will not impact business mail entry, Post Office, station, and branch retail services. Once the facility becomes a Local Processing Center (LPC), it is expected to handle package mailing and shipping, letters, and flats. The LPC is also expected to offer express services and accept bulk and permit mail, further improving its delivery services.

"Our proposed operational strategy, which is currently under review by the PRC, will generate substantial savings for the Postal Service. This strategy provides a solution that will ensure our organization can cover the cost of local originating mail processing operations in the Burlington facility," **said Postmaster General Louis DeJoy**. "Moreover, our Delivering for America plan is channeling \$8.0 million into upgrading the Burlington facility. This investment goes beyond just enhancing the work environment for our employees. It's about equipping the facility with the necessary technology and resources to deliver top-notch service to the local community for the foreseeable future."

<u>Proposed operational improvements and corresponding refinements within the current service</u> <u>standards will enable USPS to improve efficiency, save money, and sustain certain local</u> <u>originating mail processing at Burlington facility</u>

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If the regulatory process is successful, there will be no change to the location for certain local originating mail processing and cancellation operations in Burlington. In simpler terms, single piece mail that is sent from Burlington to be delivered in Burlington will continue to be processed at its current location.

No anticipated employee impacts

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USPS to invest up to \$8.0 million in Burlington facility

As announced in April, the Postal Service will invest up to \$8.0 million in the Burlington LPC, which will result in expanded and streamlined package and mail processing and distribution capabilities for the facility. These investments include \$4.1 million for modernization efforts and deferred maintenance. For example, these funds will be used for new workplace amenities for Postal Service employees such as new lighting and renovated bathrooms and breakrooms. To help improve delivery services, investments totaling \$3.9 million will be made to locate a Flex Rover Sorter Quad into the facility.

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Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to 167 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, *Delivering for America*, to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands.

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.





FOR IMMEDIATE RELEASE Sept. 18, 2024





Proposed Operational Strategy to Save \$3 Billion Annually on a Nation-Wide Basis Will Enable Postal Service to Absorb the Costs of Certain Local Originating Mail Processing Operations so they can Remain in El Paso

Savings created by new strategy – which is under review by the Postal Regulatory Commission – will negate need to relocate El Paso facility's local mail processing originating operations

Previously committed \$9.0 million USPS investment in El Paso facility to move forward as part of 10-year Delivering for America plan to modernize the nation's aged and neglected postal network

No anticipated employee impacts with the decision to keep these operations at the EI Paso facility

EL PASO, TX – The United States Postal Service (USPS) has announced plans to retain certain local mail processing operations at the El Paso postal facility in El Paso, TX. This decision to leave those operations in El Paso is made possible due to a proposed operational strategy aimed at increasing efficiency, improving service quality, and saving USPS an additional \$3 billion per year nation-wide. This proposed strategy was outlined in a recent notice and pre-filing conference in a regulatory matter before the Postal Regulatory Commission. The significant savings generated by this proposed operational strategy would enable the Postal Service to absorb the cost of continuing to provide local cancellation service in El Paso. As a result, the Postal Service would now not need to relocate local originating mail processing operations outside of the El Paso facility. This ensures that mail being delivered from one address in El Paso to another would not leave the region for processing. This update follows a previous USPS decision to shift local originating mail processing operations to the to Albuquerque Processing and Distribution Center (P&DC) in Albuquerque, NM, in 2025.

The El Paso facility will also see changes designed to boost its services, thanks to a previously announced USPS investment of \$9.0 million. These changes will not impact business mail entry, Post Office, station, and branch retail services. Once the facility becomes a Local Processing Center (LPC), it is expected to handle package mailing and shipping, letters, and flats. The LPC is also expected to offer express services and accept bulk and permit mail, further improving its delivery services.

"Our proposed operational strategy, which is currently under review by the PRC, will generate substantial savings for the Postal Service. This strategy provides a solution that will ensure our organization can cover the cost of local originating mail processing operations in the El Paso facility," **said Postmaster General Louis DeJoy**. "Moreover, our Delivering for America plan is channeling \$9.0 million into upgrading the El Paso facility. This investment goes beyond just enhancing the work environment for our employees. It's about equipping the facility with the necessary technology and resources to deliver top-notch service to the local community for the foreseeable future."

Proposed operational improvements and corresponding refinements within the current service standards will enable USPS to improve efficiency, save money, and sustain certain local originating mail processing at El Paso facility

On August 22, the USPS began the regulatory process with the PRC, proposing operational improvements and refinements within current service standards. These enhancements aim to strengthen service reliability, increase cost efficiency, and boost overall productivity. The changes, which would take effect after this year's Election and Peak Season, will allow certain local originating mail processing operations to remain in El Paso due to significant savings.

Earlier this year, the El Paso processing facility was part of the Mail Processing Facility Reviews. The main objective of these reviews was to find cost efficiencies, primarily through transportation savings. By implementing the changes proposed in the notice to the PRC, the Postal Service intends to achieve further operational efficiencies and optimizations. These would be in addition to transportation savings but achieved through different strategies than those used in certain Mail Processing Facility Reviews.

If the regulatory process is successful, there will be no change to the location for certain local originating mail processing and cancellation operations in El Paso. In simpler terms, single piece mail that is sent from El Paso to be delivered in El Paso will continue to be processed at its current location.

No anticipated employee impacts

The Postal Service initially anticipated staffing impacts due to the proposed move of certain local originating mail processing operations to the Albuquerque P&DC. However, with the decision to keep these operations at the El Paso facility, there would be no anticipated employee impacts.

This remains consistent with the stance taken in April, where no career layoffs were part of the initiative. In fact, as part of its investment strategy in the El Paso facility, the Postal Service is focusing on enhancing package processing and shipping capacity. This could potentially lead to increased plant activity and a future need for additional staffing support.

USPS to invest up to \$9.0 million in El Paso facility

As announced in April, the Postal Service will invest up to \$9.0 million in the El Paso LPC, which will result in expanded and streamlined package and mail processing and distribution capabilities for the facility. These investments will be used for new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

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Contact: HOLD

Proposed Operational Strategy to Save \$3 Billion Annually on a Nation-Wide Basis Will Enable Postal Service to Absorb the Costs of Certain Local Originating Mail Processing Operations so they can Remain in Knoxville

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No anticipated employee impacts with the decision to keep these operations at the Knoxville facility

KNOXVILLE, TN – The United States Postal Service (USPS) has announced plans to retain certain local mail processing operations at the Knoxville postal facility in Knoxville, TN. This decision to leave those operations in Knoxville is made possible due to a proposed operational strategy aimed at increasing efficiency, improving service quality, and saving USPS an additional \$3 billion per year nation-wide. This proposed strategy was outlined in <u>a recent notice</u> and pre-filing conference in a regulatory matter before the Postal Regulatory Commission. The significant savings generated by this proposed operational strategy would enable the Postal Service to absorb the cost of continuing to provide local cancellation service in Knoxville. As a result, the Postal Service would now not need to relocate local originating mail processing operations outside of the Knoxville facility. This ensures that mail being delivered from one address in Knoxville to another would not leave the region for processing. This update follows a previous USPS decision to shift local originating mail processing operations to the Nashville Processing and Distribution Center (P&DC) in Nashville, TN, in 2025.

The Knoxville facility will also see changes designed to boost its services, thanks to a previously announced USPS investment of \$9.0 million. These changes will not impact business mail entry, Post Office, station, and branch retail services. Once the facility becomes a Local Processing Center (LPC), it is expected to handle package mailing and shipping, letters, and flats. The LPC is also expected to offer express services and accept bulk and permit mail, further improving its delivery services.

"Our proposed operational strategy, which is currently under review by the PRC, will generate substantial savings for the Postal Service. This strategy provides a solution that will ensure our organization can cover the cost of local originating mail processing operations in the Knoxville facility," **said Postmaster General Louis DeJoy**. "Moreover, our Delivering for America plan is channeling \$9.0 million into upgrading the Knoxville facility. This investment goes beyond just enhancing the work environment for our employees. It's about equipping the facility with the necessary technology and resources to deliver top-notch service to the local community for the foreseeable future."

<u>Proposed operational improvements and corresponding refinements within the current service</u> <u>standards will enable USPS to improve efficiency, save money, and sustain certain local</u> <u>originating mail processing at Knoxville facility</u>

On August 22, the USPS began the regulatory process with the PRC, proposing operational improvements and refinements within current service standards. These enhancements aim to strengthen service reliability, increase cost efficiency, and boost overall productivity. The changes, which would take effect after this year's Election and Peak Season, will allow certain local originating mail processing operations to remain in Knoxville due to significant savings.

Earlier this year, the Knoxville processing facility was part of the Mail Processing Facility Reviews. The main objective of these reviews was to find cost efficiencies, primarily through transportation savings. By implementing the changes proposed in the notice to the PRC, the Postal Service intends to achieve further operational efficiencies and optimizations. These would be in addition to transportation savings but achieved through different strategies than those used in certain Mail Processing Facility Reviews.

If the regulatory process is successful, there will be no change to the location for certain local originating mail processing and cancellation operations in Knoxville. In simpler terms, single piece mail that is sent from Knoxville to be delivered in Knoxville will continue to be processed at its current location.

No anticipated employee impacts

The Postal Service initially anticipated staffing impacts due to the proposed move of certain local originating mail processing operations to the Nashville Processing and Distribution Center (P&DC) in Nashville, TN. However, with the decision to keep these operations at the Knoxville facility, there would be no anticipated employee impacts.

This remains consistent with the stance taken in April, where no career layoffs were part of the initiative. In fact, as part of its investment strategy in the Knoxville facility, the Postal Service is focusing on enhancing package processing and shipping capacity. This could potentially lead to increased plant activity and a future need for additional staffing support.

USPS to invest up to \$9.0 million in Knoxville facility

As announced in April, the Postal Service will invest up to \$9.0 million in the Knoxville LPC, which will result in expanded and streamlined package and mail processing and distribution capabilities for the facility. These investments will be used for new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

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Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to 167 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, *Delivering for America*, to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands.

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.



POSTAL NEWS

Contact: HOLD

FOR IMMEDIATE RELEASE Sept. 18, 2024



Proposed Operational Strategy to Save \$3 Billion Annually on a Nation-Wide Basis Will Enable Postal Service to Absorb the Costs of Certain Local Originating Mail Processing Operations so they can Remain in Fayetteville

Savings created by new strategy – which is under review by the Postal Regulatory Commission – will negate need to relocate NW Arkansas facility's local mail processing originating operations

Previously committed \$3.3 million USPS investment in NW Arkansas facility to move forward as part of 10-year Delivering for America plan to modernize the nation's aged and neglected postal network

No anticipated employee impacts with the decision to keep these operations at the NW Arkansas facility

FAYETTEVILLE, AR – The United States Postal Service (USPS) has announced plans to retain certain local mail processing operations at the NW Arkansas postal facility in Fayetteville, AR. This decision to leave those operations in Fayetteville is made possible due to a proposed operational strategy aimed at increasing efficiency, improving service quality, and saving USPS an additional \$3 billion per year nation-wide. This proposed strategy was outlined in a recent notice and pre-filing conference in a regulatory matter before the Postal Regulatory Commission. The significant savings generated by this proposed operational strategy would enable the Postal Service to absorb the cost of continuing to provide local cancellation service in Fayetteville. As a result, the Postal Service would now not need to relocate local originating mail processing operations outside of the NW Arkansas facility. This ensures that mail being delivered from one address in Fayetteville to another would not leave the region for processing. This update follows a previous USPS decision to shift local originating mail processing operations to the to Oklahoma City Processing and Distribution Center (P&DC) in Oklahoma City, OK, in 2025.

The NW Arkansas facility will also see changes designed to boost its services, thanks to a previously announced USPS investment of \$3.3 million. These changes will not impact business mail entry, Post Office, station, and branch retail services. Once the facility becomes a Local Processing Center (LPC), it is expected to handle package mailing and shipping, letters, and flats. The LPC is also expected to offer express services and accept bulk and permit mail, further improving its delivery services.

"Our proposed operational strategy, which is currently under review by the PRC, will generate substantial savings for the Postal Service. This strategy provides a solution that will ensure our organization can cover the cost of local originating mail processing operations in the NW Arkansas facility," **said Postmaster General Louis DeJoy**. "Moreover, our Delivering for America plan is channeling \$3.3 million into upgrading the NW Arkansas facility. This investment goes beyond just enhancing the work environment for our employees. It's about equipping the facility with the necessary technology and resources to deliver top-notch service to the local community for the foreseeable future."

<u>Proposed operational improvements and corresponding refinements within the current service</u> <u>standards will enable USPS to improve efficiency, save money, and sustain certain local</u> <u>originating mail processing at NW Arkansas facility</u>

On August 22, the USPS began the regulatory process with the PRC, proposing operational improvements and refinements within current service standards. These enhancements aim to strengthen service reliability, increase cost efficiency, and boost overall productivity. The changes, which would take effect after this year's Election and Peak Season, will allow certain local originating mail processing operations to remain in Fayetteville due to significant savings.

Earlier this year, the NW Arkansas processing facility was part of the Mail Processing Facility Reviews. The main objective of these reviews was to find cost efficiencies, primarily through transportation savings. By implementing the changes proposed in the notice to the PRC, the Postal Service intends to achieve further operational efficiencies and optimizations. These would be in addition to transportation savings but achieved through different strategies than those used in certain Mail Processing Facility Reviews.

If the regulatory process is successful, there will be no change to the location for certain local originating mail processing and cancellation operations in Fayetteville. In simpler terms, single piece mail that is sent from Fayetteville to be delivered in Fayetteville will continue to be processed at its current location.

No anticipated employee impacts

The Postal Service initially anticipated staffing impacts due to the proposed move of certain local originating mail processing operations to the Oklahoma City P&DC. However, with the decision to keep these operations at the NW Arkansas facility, there would be no anticipated employee impacts.

This remains consistent with the stance taken in April, where no career layoffs were part of the initiative. In fact, as part of its investment strategy in the NW Arkansas facility, the Postal Service is focusing on enhancing package processing and shipping capacity. This could potentially lead to increased plant activity and a future need for additional staffing support.

USPS to invest up to \$3.3 million in NW Arkansas facility

As announced in April, the Postal Service will invest up to \$3.3 million in the NW Arkansas LPC, which will result in expanded and streamlined package and mail processing and distribution capabilities for the facility. These investments will be used for new workplace amenities for USPS employees such as new lighting, as well as renovated bathrooms and breakrooms.

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