

December 1, 2014

The Honorable Patrick R. Donahoe Postmaster General United States Postal Service 475 L'Enfant Plaza SW Washington, DC 20260

## Dear Postmaster General Donahoe:

On June 30, 2014, the U.S. Postal Service (USPS) announced plans to implement Phase 2 of its Network Rationalization Initiatives (NRI) starting in January 2015. Phase 2 includes the consolidation of up to 82 mail processing facilities. According to the USPS Office of Inspector General (IG), the USPS failed to fulfil its regulatory and statutory obligations to adequately study the impact of these consolidations on service standards and inform the public of these impacts. We strongly urge the USPS to delay the start of any closures until such studies have been fully completed and those affected by the consolidations are adequately informed and their concerns heard.

As described in the USPS's own Area Mail Processing Guidelines, the first two objectives of an area mail processing (AMP) feasibility study are to "evaluate service standard impacts for all classes of mail" and to "consider issues important to local customers." In addition, the USPS must:

- Provide adequate public notice to communities affected by a proposed network rationalization decision;
- Make available information about any service changes in the affected communities, any effects on customers or Postal Service employees, and any cost savings;
- Afford affected persons ample opportunity to provide input on the proposed decision;
  and
- Take public comments into account in making a final decision.<sup>2</sup>

Nevertheless, the USPS IG found that the Postal Service failed to complete the service standard impacts evaluation and worksheet in 91 of the 95 AMP feasibility studies related to the NRI. Without these completed worksheets, it is impossible to fully understand the effects of

<sup>&</sup>lt;sup>1</sup> United States Postal Service Handbook PO-408, Area Mail Processing Guidelines (March 2008).

consolidation decisions or adequately inform local customers and consider issues important to them.

According to the IG report, the USPS claims that it did not conduct the required evaluation because it is in the process of revising service standards. This revision, which began in 2012, is expected to be completed with the issuance of new service standards on January 5, 2015, just days before the consolidations are scheduled to begin.

The USPS refutes the IG report by stating that it met its transparency requirements. The language included in each AMP package states only that "[s]pecific service standard changes associated with this Area Mail Processing consolidation are contingent upon the resolution" of the rulemaking process to broadly revise service standards.<sup>3</sup> This language in no way meets the USPS' own definition of public requirements to "make available information about any service changes in the affected communities." Rather, the language in the AMP is so vague and uninformative as to be meaningless to the public. The purpose of public disclosure is to inform. This statement contains no useful information whatsoever.

It stands to reason that, if the USPS is aware that its own AMP process was incomplete, it could simply adjust its own timeline to ensure that the process is fair, complete, open and transparent. The process exists for a reason, and it should be implemented correctly before any consolidations occur.

We strongly urge the USPS to delay implementation of any mail processing consolidations until feasibility studies are completed and there has been adequate time for public comment and consideration of those comments. Completed feasibility studies should include service standard impacts worksheets based on the revised service standards expected to be published on January 5, 2015. There is no reason that the USPS cannot delay its consolidations to provide time for the public to see and comment on the service standard worksheets. It is only fair to allow the process to unfold in this way, and the USPS gains little by deciding to continue the consolidation process on its current, arbitrary timeline.

Sincerely,

Claire McCaskill United States Senator Tim Johnson

United States Senator

<sup>&</sup>lt;sup>3</sup> Memorandum from Robert J. Batta, Deputy Assistant Inspector General for Mission Operations, Office of Inspector General, United States Postal Service to David E. Williams, Jr., Vice President, Network Operations, United States Postal Service, Management Alert – Lack of Service Standard Change Information in Area Mail Processing Feasibility Studies (Oct. 6, 2014) (NO-MA-15-001)

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