GOVERNMENT RELATIONS



July 31, 2020

The Honorable Joe Manchin III United States Senate Washington, DC 20510-4804

Dear Senator Manchin:

This responds to your July 28 letter to Postmaster General Louis DeJoy, regarding U.S. Postal Service operations.

I appreciate your interest in ensuring that your constituents continue to have convenient access to essential postal services and the opportunity to respond to your concerns about signs that were posted at several Post Offices in West Virginia. In researching this matter, we learned from Appalachian District officials that 12 Post Offices were identified for feasibility studies for potential closure. Unfortunately, when this information was disseminated to local postal management, some thought it meant that the offices identified for possible closure had already been studied. As a result, closure signage was inadvertently placed in those Post Offices and has since been removed. Please know that this was a misunderstanding, and we sincerely apologize for any frustration or confusion this may have caused you and your constituents.

It should be noted that a decision to undertake a feasibility study to investigate the possible discontinuance of a Post Office might be prompted by a variety of circumstances, including a postmaster or other responsible personnel vacancy, emergency suspension, insufficient office workload or customer demand, or reasonable alternate access. During this process, postal managers consider the effect on the community and postal employees, the ability to provide a maximum degree of effective and regular postal services to the affected community, and potential economic savings. Affected customers are provided opportunities to share their concerns and views both on the proposed action and on mail service alternatives. Before the Postal Service makes a decision to close or consolidate an independent Post Office, we comply with all the stipulations mandated by federal law. All final decisions are subject to review by the independent Postal Regulatory Commission, and the discontinuance procedures contained in Title 39, United States Code, are exercised before an independent Post Office can be permanently closed.

The Postal Service also has a longstanding practice of routinely reviewing opportunities for retail savings. As part of this process, both Area- and District-level management look at current retail hours, customer visits, transactions, revenue, and other factors to assess opportunities to improve efficiency. In this case, Appalachian District management performed such a review, after

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which they proposed 24 locations for reduced hours to the Area office. Under normal circumstances, a 30-day notification would be posted in affected offices once approved by the Area and Headquarters. Unfortunately, in this instance, signage was placed in the affected offices on July 24, prior to receiving necessary approvals. As such, the District has been instructed to remove the signage pending further review by Area and Headquarters.

We recognize the extent to which rural communities rely upon the Postal Service for their communication needs. We are highly focused on our public service mission to provide prompt, reliable, and efficient service to every person and business in this country, and to remain a part of the nation's critical infrastructure. Unfortunately, we are in a financially unsustainable position, stemming from substantial declines in mail volume, and a broken business model. We are currently unable to balance our costs with available funding sources to fulfill both our universal service mission and other legal obligations. For these reasons, the Postal Service is developing a business plan to ensure that we will be financially stable and able to continue to provide reliable, affordable, safe and secure delivery of mail, packages and other communications to all Americans as a vital part of the nation's critical infrastructure. While the overall plan is not yet finalized, it will certainly include new and creative ways for us to fulfill our mission. We are immediately focusing on efficiency and items that are within our control, and will propose changes to some that are not, in order to ensure that we will be able to continue to fulfill our universal service obligation to all of America.

Lastly, Postmaster DeJoy announced on July 29 that the Postal Service reached an agreement with the U.S Department of the Treasury on the terms and conditions associated with the \$10 billion lending authority provided in the Coronavirus Aid, Relief, and Economic Security Act. The additional \$10 billion in borrowing authority will delay an impending liquidity crisis; however, the Postal Service remains on an unsustainable path. We will continue to focus on improving operational efficiency and pursuing other reforms in order to put the Postal Service on a trajectory for long-term financial stability.

We appreciate your ongoing interest in the Postal Service, and look forward to working with you to ensure that our organization will be sustainable and well positioned to continue fulfilling our national universal service obligation. Please let me know if I can be of assistance in other postal matters.

Sincerely,

Sheila I heyers

Sheila T. Meyers Manager, Government Liaison