

October 26, 2020

The Honorable Suzan DelBene House of Representatives Washington, DC 20515-4701

Dear Congresswoman DelBene:

This responds to your October 9 letter to Postmaster General Louis DeJoy, regarding U.S. Postal Service operations.

Thank you for sharing your concerns. I want to assure you that the Postal Service is focused on our mission of binding the nation together and providing the American public with prompt, reliable, and efficient postal services. The importance of that basic and fundamental service has never been more evident than it is today. At the same time, our longstanding financial challenges are also obvious. The Postal Service must develop a viable operating model that ensures we can continue to fulfill our public service mission in a financially sustainable manner and remain a part of the country's critical infrastructure.

It is important to explain that Postal Service management has long engaged in a number of operational efforts, including evaluating equipment sets and other operational factors to balance available resources with changes in volume. To evaluate processing equipment, we employ an iterative process to compare volume trends by product type with the assortment of equipment needed to process the mail. Evaluating processing equipment is not a novel practice at the Postal Service. Since 2016, letter mail and flat mail volume has dropped by 29 percent and 32 percent respectively. To adjust to these volume declines, letter sorting equipment was reduced by 27 percent and flat sorting equipment by 25 percent, which represents an overall removal of more than 1,000 machines nationwide. Conversely, we have increased package sorting equipment in response to the increase in package volume.

In addition, recent evaluations of letter and flat sorting machines showed that even with the ongoing reductions in equipment, letter and flat sorting machines are only being used for 32 percent and 38 percent of the available machine hours respectively. If letter and flat volumes were to increase substantially, there is more than ample capacity on the machines to handle the increases. Nevertheless, even though the Postal Service has been evaluating and removing sorting machines for several years, we have decided to stop any additional removals until after the upcoming election in an effort to avoid even an appearance of any impact on Election Mail.

With regard to your request for the operating status of all Delivery Bar Code Sorter (DBCS) machines in the East Delivery Distribution Center (DDC) in Redmond, the Postal Service

## Page 2

considers this information to be confidential, commercially-sensitive information. Per 39 U.S.C. § 410(c)(2), the Postal Service is not required to disclose information of a commercial nature, which would not be publicly disclosed under good business practices. Commercial information includes all information that relates to trade, profit, or the Postal Service's ability to conduct itself in a businesslike manner. This includes facility-specific volume, revenue, and cost information. See 39 C.F.R. § 265.14. Disclosing the data regarding existing capacity and total machine inventory would essentially provide facility-specific volume information because, by comparing this information across multiple facilities, one can determine what facilities are high or low in volume. For this reason, the information requested pertains to our ability to compete in the market place and qualifies as commercially-sensitive information. Therefore, it is not in the best interest of the Postal Service to disclose information on the existing capacity and total machine inventory at the East DDC.

However, I am able to disclose information regarding the removal of DBCS machines. At the East DDC, six machines were removed from service between July 31 and August 14, one of which was subsequently returned to service. Parts from the removed machines were used to extend the capacity of the active machines, and there is one removed machine that remains available for use if needed. Please be assured there is adequate capacity in the remaining machines to timely process letter mail volume; that said, consistent with our legal obligations, if additional processing capacity is required to fulfill our service commitments for Election Mail, available processing equipment will be returned to service.

The important position that the Postal Service occupies in the fabric of the nation is apparent, now more than ever. Please be assured that the Postal Service's mission to efficiently and effectively deliver to every address in the country will continue to be our highest priority.

If I can be of assistance with other postal matters, please let me know.

Sincerely

Cory D. Brown

Government Relations Representative