

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Before Commissioners:

Michael Kubayanda, Chairman;  
Thomas G. Day, Vice Chairman;  
Ann C. Fisher;  
Ashley E. Poling; and  
Robert G. Taub

Public Inquiry on Changes Associated  
with the Delivering for America Plan

Docket No. PI2023-4

ORDER DIRECTING POSTAL SERVICE TO SHOW CAUSE OR FILE A NATURE OF  
SERVICE PROCEEDING REGARDING CERTAIN DELIVERING FOR AMERICA  
INITIATIVES

(Issued April 26, 2024)

I. INTRODUCTION

On April 20, 2023, the Commission established this docket to examine the recent and planned network changes associated with the Postal Service's Delivering for America (DFA) strategic plan.<sup>1</sup> Since then, the Commission has sought information regarding various initiatives related to the DFA Plan, including some changes that have already been implemented. As discussed below in this Order, in multiple locations

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<sup>1</sup> See Notice and Order Initiating Public Inquiry Associated with the Delivering for America Plan, April 20, 2023 (Order No. 6488); see also United States Postal Service, Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence, March 23, 2021, available at [https://about.usps.com/what/strategic-plans/delivering-for-america/assets/USPS\\_Delivering-For-America.pdf](https://about.usps.com/what/strategic-plans/delivering-for-america/assets/USPS_Delivering-For-America.pdf) (DFA Plan).

where changes have been implemented, service has declined considerably for extended periods of time.

For the reasons below, the Commission orders the Postal Service to show cause as to why an advisory opinion is not warranted for the initiatives within the DFA Plan identified below. Otherwise, the Postal Service must file a request for an advisory opinion consistent with 39 C.F.R. part 3020 within 40 days of this Order.

## II. BACKGROUND

On March 23, 2021, the Postal Service published a 10-Year Strategic Plan announcing potential changes intended to achieve financial stability and service excellence. See DFA Plan. The plan contains 11 key strategies for achieving these goals and discusses, at a high level, various initiatives the Postal Service intends to undertake in furtherance of each strategy. *Id.* at 5, 22-39. The DFA Plan also states that the Postal Service will provide opportunities for stakeholder input and engagement, including by the Postal Service requesting advisory opinions from the Commission.<sup>2</sup>

Thus far, the Postal Service has filed three requests with the Commission for advisory opinions on proposed service standard changes related to the DFA Plan involving First-Class Mail, Periodicals, First-Class Package Service, Retail Ground, and Parcel Select Ground.<sup>3</sup> After providing an opportunity for a formal on-the-record hearing, pursuant to 5 U.S.C. § 3661(c), the Commission issued advisory opinions on the Postal Service's proposed service standard changes in FY 2021 and FY 2022, analyzing the estimated impact of the proposals on the Postal Service's service

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<sup>2</sup> *Id.* at 26-27, 35, 41, 52. See United States Postal Service, Delivering for America, Responses of the United States Postal Service to the Reporting Requirements Specified in the Postal Service Reform Act of 2022, FY 2022 3<sup>rd</sup> and 4<sup>th</sup> Quarter, December 2, 2022, at 23 n.4, available at [https://www.prc.gov/docs/124/124453/REDACTED\\_Final\\_DFA-PSRA\\_Section\\_207\\_Report\\_12.02.2022.pdf](https://www.prc.gov/docs/124/124453/REDACTED_Final_DFA-PSRA_Section_207_Report_12.02.2022.pdf).

<sup>3</sup> See Docket No. N2021-1, United States Postal Service Request for an Advisory Opinion on Changes in the Nature of Postal Services, April 21, 2021; Docket No. N2021-2, United States Postal Service Request for an Advisory Opinion on Changes in the Nature of Postal Services, June 17, 2021; Docket No. N2022-1, United States Postal Service's Request for an Advisory Opinion on Changes in the Nature of Postal Services, March 21, 2022.

performance, financial condition, operational flow, transportation network, customer satisfaction, and mail volume.<sup>4</sup>

### III. RECENT CHANGES

Since 2022, the Postal Service has announced additional DFA Plan initiatives involving operational changes. In particular, the Postal Service announced that it was overhauling its processing and delivery operations networks.<sup>5</sup>

As part of this network transformation, the Postal Service announced several new or repurposed facility types. The new Regional Processing and Distribution Centers (RPDCs) were designed to serve as multi-functional distribution centers for all network originating mail and packages and all destinating packages. DFA Second-Year Report at 16. This results in centralizing all metro-area originating processing operations in a single building. *Id.* The Postal Service intends to convert existing facilities into RPDCs and also lease or buy new buildings when necessary and appropriate. Response to CHIR No. 1, question 1. The Postal Service has initiated transformation activities in RPDCs in nine regions: Richmond, Atlanta, Portland, Boise, Charlotte, Chicago, Houston, Jacksonville, and Indianapolis.<sup>6</sup> The first RPDC launched in Richmond, Virginia in July 2023.<sup>7</sup>

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<sup>4</sup> Docket No. N2021-1, Advisory Opinion on Service Changes Associated with First-Class Mail and Periodicals, July 20, 2021, at 2 (Docket No. N2021-1, Advisory Opinion); Docket No. N2021-2, Advisory Opinion on the Service Standard Changes Associated with First-Class Package Service, September 29, 2021, at 3; Docket No. N2022-1, Advisory Opinion on the Service Standard Changes Associated with Retail Ground and Parcel Select Ground, June 9, 2022, at 2.

<sup>5</sup> See United States Postal Service, Delivering for America, Second-Year Progress Report, April 2023, available at <https://about.usps.com/what/strategic-plans/delivering-for-america/assets/usps-dfa-two-year-report.pdf> (DFA Second-Year Report); see also Responses of the United States Postal Service to Questions 1-5 of Chairman's Information Request No. 1, July 19, 2023, question 1 (Response to CHIR No. 1).

<sup>6</sup> United States Postal Service, Statement of Postmaster General and Chief Executive Officer Louis DeJoy before the Senate Committee on Homeland Security and Governmental Affairs, April 16, 2024, at 8 (DeJoy Statement).

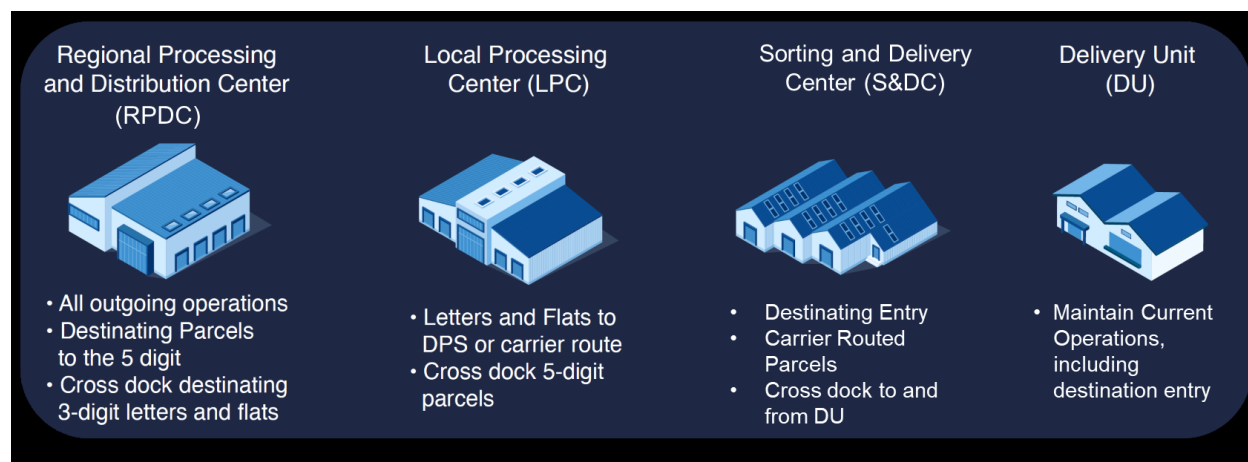
<sup>7</sup> See United States Postal Service, Office of Inspector General, Report No. 23-161-R24, Effectiveness of the New Regional Processing and Distribution Center in Richmond, VA, March 28, 2024, at 4, available at <https://www.uspsoig.gov/reports/audit-reports/effectiveness-new-regional-processing-and-distribution-center-richmond-va> (OIG Report No. 23-161-R24).

The Postal Service also designed Local Processing Centers (LPCs) to connect RPDCs to delivery operations with the primary task of sorting letter and flat mail to carrier route or delivery walk sequence and serving as a transfer center to aggregate product on its way to delivery. DFA Second-Year Report at 17. The Postal Service later announced that LPCs would also process packages.<sup>8</sup> The Postal Service stated that for these new LPCs it would leverage existing facilities such as former processing and distribution centers. Docket No. SS2022-1, Response to CHIR No. 13. The Postal Service noted that in some locations, an LPC will be co-located with the RPDC. *Id.*

In addition to RPDCs and LPCs, the Postal Service announced plans to open Sorting and Delivery Centers (S&DCs) using repurposed facilities and combining delivery units into S&DCs. Response to CHIR No. 1, question 1. The Postal Service provides that the creation of S&DCs will allow it to further organize and optimize its transportation by reducing the number of trips needed to move mail between processing facilities to the delivery network. *Id.* Some S&DCs will be co-located with LPCs, eliminating transportation between facilities altogether. *Id.* The first S&DC opened in Athens, Georgia in November 2022. *Id.*

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<sup>8</sup> Docket No. SS2022-1, Responses of the United States Postal Service to Questions 1-27 of Chairman's Information Request No. 13, April 15, 2024, question 6 (Docket No. SS2022-1, Response to CHIR No. 13).

Figure III-1<sup>9</sup>

The Postal Service also announced a new initiative called Optimized Collections, which later was referred to as Local Transportation Optimization (LTO), for implementation in FY 2024.<sup>10</sup> Under this initiative, collection mail received throughout the day will be held overnight at some locations to reduce the number of trips and associated costs. Response to CHIR No. 5, question 1. The Optimized Collections initiative was first implemented in Richmond, VA on October 28, 2023. *Id.*, question 2.a. The Postal Service asserts that by implementing this initiative, it is not changing the “start-the-clock” for First-Class Mail, it is not changing the application of current service standards, and it does not anticipate material impacts on First-Class Mail service performance from implementation of this initiative. *Id.*, question 8. Furthermore, the Postal Service stated that it does not expect the initiative to cause some postal customers to receive less favorable service than other similarly situated postal customers. *Id.*, question 9.

<sup>9</sup> Responses of the United States Postal Service to Questions 1-4 of Chairman’s Information Request No. 4, October 23, 2023, question 4.a. (Response to CHIR No. 4); see Responses of the United States Postal Service to Questions 1-5 of Chairman’s Information Request No. 7, March 15, 2024, question 1 (Response to CHIR No. 7) (for a description of the types of operations performed at each type of facility).

<sup>10</sup> Responses of the United States Postal Service to Questions 1-12 of Chairman’s Information Request No. 5, December 4, 2023, questions 1, 11 (Response to CHIR No. 5).

In addition, the Postal Service announced a logistics career insourcing initiative, which would convert Highway Contract Route (HCR) transportation performed by contractors to Postal Vehicle Service (PVS) transportation performed by postal employees for certain transportation lanes. *Id.*, question 5. The Postal Service stated that it engages in modeling to determine the optimal trip schedules for local transportation lanes and implementation of Optimized Collections is considered part of that modeling exercise. *Id.*

The Postal Service emphasized that these initiatives are interrelating and mutually reinforcing enhancements to the processing, transportation, and delivery networks,<sup>11</sup> and that the transformation of its networks is being pursued through a multi-year, highly structured process. Response to CHIR No. 1, question 1.

#### IV. COMMISSION ANALYSIS

The Commission previously stated that the information sought in this proceeding may be used to determine if the proposed changes implicate the Postal Service's compliance with the statutory requirement to seek an advisory opinion.<sup>12</sup> Generally, the Postal Service is required to request an advisory opinion from the Commission and a public hearing be held prior to making at least substantially nationwide changes. 39 U.S.C. § 3661(b). Section 3661(b) is implicated when three criteria are met: (1) the Postal Service is making a "change" that has "some meaningful" or quantifiable rather than "minor" impact on service; (2) the change is "in the nature of postal services," which necessitates a "qualitative examination of the manner in which postal services available to the user will be altered;" and (3) the change affects service "on a nationwide or substantially nationwide basis"—*i.e.*, over a "broad geographical area."<sup>13</sup>

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<sup>11</sup> See, *e.g.*, Responses of the United States Postal Service to Questions 1-5 of Chairman's Information Request No. 3, September 12, 2023, question 2 (Response to CHIR No. 3).

<sup>12</sup> See Order Denying Motion for Reconsideration, June 21, 2023, at 10 (Order No. 6548); Order on Motion for Reconsideration of Chairman's Information Request No. 7, February 22, 2024, at 5 (Order No. 6986).

<sup>13</sup> *Buchanan v. U.S. Postal Serv.*, 508 F.2d 259, 262-63 (5th Cir. 1975) (internal quotation marks omitted).

The Commission previously held that the DFA Plan is not in and of itself a change under Section 3661.<sup>14</sup> However, the Commission noted that specific initiatives could require a request for an advisory opinion. Order No. 6067 at 18. As discussed above, the Postal Service has filed three requests with the Commission for advisory opinions on proposed service standard changes related to the DFA Plan. As to the recent changes addressed in this proceeding, the Postal Service states that it evaluated those initiatives and concluded that advisory opinions were not required.<sup>15</sup> The Postal Service also noted that the LTO initiative had only been piloted in one region at that time and the Commission previously stated that pilot testing is an appropriate way to gather information in anticipation of the potential for a nationwide service change proceeding, should such a proceeding be necessary.<sup>16</sup>

The Commission has a duty to provide transparency, oversight, and ongoing monitoring of the Postal Service's network transformation plans. Under Title 39, the Commission is obligated to evaluate whether the Postal Service's plans will have adverse impacts on the Postal Service's costs, revenue, volume, service, or products, or may involve disparate treatment for different postal customers.<sup>17</sup> To date, the Postal Service has provided limited detailed information concerning its additional planned changes and thus far, has not included any information that address stakeholder and Commission concerns that implementation of these changes will result in nationwide service changes. Although the Postal Service states that the DFA Plan initiatives will result in efficient operations and improved service once the changes have been implemented, the Postal Service has not provided any analyses, data, or modeling showing that these changes will improve service. Nor have preliminary results from

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<sup>14</sup> Docket No. C2022-1, Order Granting Motion to Dismiss Complaint, December 17, 2021, at 17 (Order No. 6067).

<sup>15</sup> Response to CHIR No. 1, question 5; Responses of the United States Postal Service to Questions 1-7 of Chairman's Information Request No. 6, December 21, 2023, question 3 (Response to CHIR No. 6).

<sup>16</sup> Response to CHIR No. 6, question 3 (citing Docket No. N2021-1, Advisory Opinion at 99).

<sup>17</sup> See, e.g., 39 U.S.C. §§ 3622 (regulation of postal rates and classifications, including workshare discounts), 3652 (report requirements related to costs, revenues, rates, and service), 3662 (rate and service complaints), 3691 (service standards).

areas most affected by the DFA Plan initiatives demonstrated improved efficiency or service, as discussed further below.

It is hard to see how these initiatives will not involve a change in the nature of services. For example, the Postal Service plans to redesign the network from 430 facilities to 220 facilities, purportedly eliminating ill-placed and ill-equipped “middle-mile” facilities. DeJoy Statement at 6. However, consolidating and repurposing facilities could mean longer routes for long haul transportation and carriers, which could result in mail delays. In addition, longer distances to an RPDC for originating operations (including cancelling) could delay the first processing scan. In conducting mail processing facility reviews, the Postal Service considered moving some originating operations as far as over 4 hours away.<sup>18</sup> Not only could this delay processing, but it could also result in significant loss of postal employees, which could further lead to mail delays.<sup>19</sup> The Postal Service states that generally mail “making its first processing stop further away serves to hasten its travel,”<sup>20</sup> but the Postal Service has not provided any supporting analyses or data to the Commission showing that its specific operational changes will not result in slower delivery.

In addition, under the LTO initiative, the lack of evening collections may result in delivery being delayed by at least a day because mail would likely sit overnight before being transported for processing. Staffing issues seem likely under the Logistics Career

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<sup>18</sup> See, e.g., United States Postal Service, Final MPFR (Redacted), August 25, 2023, at 4 (Medford Final MPFR), available at <https://about.usps.com/what/strategic-plans/mpfr/documents/medford-or-workbook.pdf> (stating that the Medford OR P&DF is located 280 miles from the Portland, OR P&DC, approximately 4 hours 28 minutes via interstate highways). Similarly, a move of originating operations from McAllen, TX to San Antonio, TX is currently under review. See United States Postal Service, Initial Findings Document, March 19, 2024 (McAllen Initial Findings), available at <https://about.usps.com/what/strategic-plans/mpfr/documents/initial-findings-mcallen-tx-03-19-2024.rtf>; Letter from Congressional Members Regarding Texas Mail Processing Facilities, April 4, 2024, available at [https://castro.house.gov/imo/media/doc/castro-cuellar-gonzalez-casar\\_usps\\_letter.pdf](https://castro.house.gov/imo/media/doc/castro-cuellar-gonzalez-casar_usps_letter.pdf) (stating that the proposed change to San Antonio from McAllen is “a nearly 500-mile round trip”).

<sup>19</sup> See, e.g., Medford Final MPFR at 3 (showing a loss of 1 management and 17 craft positions); McAllen Initial Findings at 3 (“Due to the transfer of outgoing operations, an estimated net decrease of 18 craft and 2 management positions are projected once the initiative is completed.”). Although employees may be able to be reassigned, the distances between the facilities may be prohibitive and the Postal Service may not be able to retain those employees.

<sup>20</sup> DeJoy Statement at 15.



Insourcing Initiative due to a truck driver shortage and an inability to hire sufficient postal vehicle operators.<sup>21</sup> If implemented together across the nation as planned, these operational changes appear to impact service in significant ways.

Indeed, recent service declines and other issues associated with the implementation of the DFA initiatives support the Commission's and the public's skepticism. Mail delays have been reported in regions where the Postal Service recently implemented its initiatives.<sup>22</sup> The nationwide impact upon First-Class Mail is depicted in Figure IV-1 below. The continuous decline began in March of 2023. However, the pace of decline has accelerated in sync with implementation of the DFA Plan. In the Atlanta, Georgia region, where the Postal Service launched a new RDPC, the average First-Class Mail letter delivered to an Atlanta address took 13.29 days to arrive.<sup>23</sup> For the entire Georgia District, the Postal Service's service performance dashboard indicated that in the month following the full operation of the Atlanta RPDC, Single-Piece First-Class Mail destinating in Georgia went from an average of 3.97 days

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<sup>21</sup> See United States Postal Service, Office of Inspector General, Report No. RISC-WP-22-002, *The Truck Driver Shortage: Implications for the Postal Service*, March 7, 2022, available at <https://www.uspsoidg.gov/reports/white-papers/truck-driver-shortage-implications-postal-service>. See also OIG Report No. 23-161-R24 at 17.

<sup>22</sup> See, e.g., Steve Hutkins, *Atlanta RPDC crashes on launch*, Save the Post (April 10, 2024), available at <https://www.savethepostoffice.com/atlanta-rpdc-crashes-on-launch/>; La'Tasha Givens, *Metro Atlanta residents not getting their mail due to delays at USPS facility*, Alive (March 5, 2024), available at <https://www.11alive.com/article/news/local/usps-customers-experiencing-delays-packages-metro-atlanta/85-a9b37a29-c24b-46fd-8c45-29e21fb1aa7f>; Joshua Skinner, *Mail delays a headache for truck drivers as Ossoff, USPS respond*, Atlanta News First (March 14, 2024), available at <https://www.atlantaneWSfirst.com/2024/03/15/mail-delays-headache-truck-drivers-ossoff-usps-respond/>; Chloe Alexander and Stephen Goin, *Here's why the post office says your mail is stuck in Missouri City*, KHOU\*11 (January 10, 2024), available at <https://www.khou.com/article/news/local/missouri-city-mail-delay/285-bf61add0-539f-41bf-bce1-1a4974bc4745>; Deevon Rahming, *Woman says her package took 81 days to be delivered amid ongoing Houston-area mail delays*, KHOU\*11 (January 27, 2024), available at <https://www.khou.com/article/news/local/houston-usps-mail-delays/285-a6b283d2-dcbe-4a11-9399-9b6b84c81c1a>; Angelique Arintok, *Bipartisan group of Congressional delegation from Virginia calls on USPS to address delays, disruptions*, 13 News Now (February 6, 2024), available at <https://www.13newsnow.com/article/news/local/virginia/bipartisan-group-from-virginia-calls-on-usps-to-address-disruptions/291-f99b1144-317d-4e75-811f-543e0da34e9a>.

<sup>23</sup> Dave Lewis, *US Mail Traffic Report*, Snailworks (April 1, 2024), available at [https://snailworks.com/Blog/Blog\\_Detail.aspx?id=508](https://snailworks.com/Blog/Blog_Detail.aspx?id=508).

to deliver to 6.28 days to deliver. In Houston, Texas, another location with a newly implemented RPDC, only 71 percent of mail was delivered on time.<sup>24</sup>

In Richmond, Virginia, where both the network modernization and LTO initiatives were implemented, the Office of Inspector General (OIG) noted in its report that the percentage of mail and packages delivered on time declined after the launch of the RPDC. OIG Report No. 23-161-R24 at 17. For example, in the new Richmond RPDC operating plan, package operations are scheduled to be completed before local mail arrives at the facility to be sorted. *Id.* In response, on October 16, 2023, the Postal Service added an extra day to local Priority Mail service, thus making it a 2-day service standard. *Id.*

In a report on the LTO initiative, the OIG stated that the Postal Service and the public do not fully know the operational, service, and customer impacts of the LTO initiative.<sup>25</sup> The OIG was not able to isolate the service impact of the initiative, but it noted that service performance decreased significantly in the weeks following implementation. *Id.* The OIG also noted that the LTO initiative will affect rural communities and individuals who mail letters and packages more than other users of the Postal Service. *Id.*

Finally, the Richmond RPDC was unable to hire a sufficient number of postal vehicle operators to cover newly created routes under the logistics career insourcing initiatives. OIG Report No. 23-161-R24 at 10. The OIG also reported declines in transportation performance after the launch of the RPDC, where late and cancelled trips increased by 30 percent and 185 percent, respectively. *Id.* at 11.

It is clear that there has been a quantifiable decline in service across several regions during and after the implementation of new facility types. In fact, according to the service performance dashboard maintained by the Postal Service, nationwide

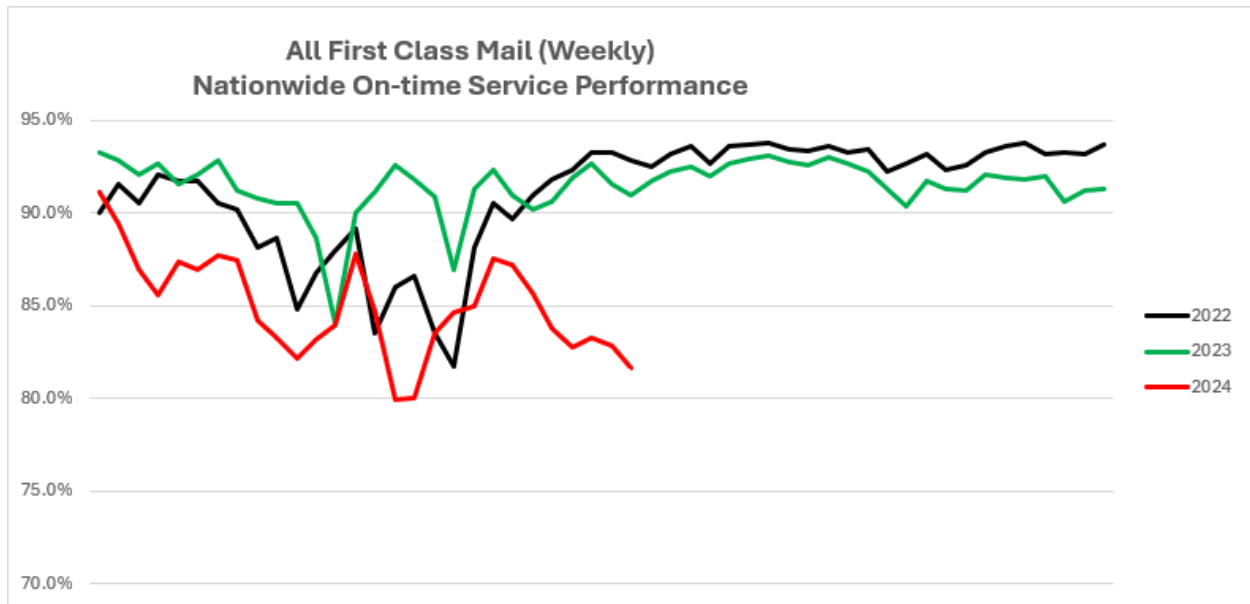
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<sup>24</sup> Eric Katz, *As USPS institutes network reforms, mail delivery hits a 3-year low*, Government Executive (February 22, 2024), available at <https://www.govexec.com/management/2024/02/usps-institutes-network-reforms-mail-delivery-hits-three-year-low/394388/>.

<sup>25</sup> United States Postal Service, Office of Inspector General, Report No. 23-161-1-R24, *Impacts Associated with Local Transportation Optimization in Richmond, Virginia*, April 12, 2024, at 5, available at <https://www.uspsaig.gov/reports/audit-reports/impacts-associated-local-transportation-optimization-richmond-virginia>.

service performance has declined substantially as the Postal Service has implemented the network changes described in this Order.

**Figure IV-1  
 Nationwide Service Performance has Declined in FY 2024  
 as the Postal Service Implements Network Changes**



The Postal Service and the Commission have a duty to understand whether, and to what extent, the network changes are contributing to this decline before further deployment of the network changes.

The proposed changes in mail collection and transportation schedules that are being implemented nationwide already resulted in delivery delays in the first tested region, and proposed nationwide changes to transportation sourcing resulted in declines in performance after initiation in the first region. The Postal Service states that “[d]ue to the very significant changes that are required to effectively transform the Postal Service, service performance may be temporarily impacted in regions where significant modernization efforts are undertaken.” Response to CHIR No. 7 at 3. However, the Postal Service has not provided any information supporting its assertions that these

service performance declines are temporary.<sup>26</sup> In fact, the OIG noted that the challenges faced in the Richmond, Virginia area contributed to a decrease in service performance that continued 4 months after launch of the RPDC. OIG Report No. 23-161-R24 at 5.

Although Section 3661(b) places the initial burden on the Postal Service to determine whether to request an advisory opinion from the Commission when contemplating a change in the nature of postal services, it has become increasingly apparent that the operational changes to be implemented by the Postal Service nationwide may result in significant service changes over a broad area of the country. As the Postal Service undertakes transformation activities in more regions and more service issues are reported, it is vitally important that the Postal Service explain how the requirement for an advisory opinion and public hearing on these changes is not implicated by its actions.

Accordingly, pursuant to 39 U.S.C. §§ 503 and 3661(b), the Commission directs the Postal Service to show cause within 20 days as to why an advisory opinion is not warranted for these initiatives. Should the Postal Service take the position that its planned network changes do not constitute such a change, the Postal Service shall discuss relevant authority interpreting 39 U.S.C. § 3661(b), including but not limited to:

- *Buchanan v. U.S. Postal Serv.*, 508 F.2d 259, 262-63 (5th Cir. 1975) (describing the factors to be considered when determining whether 39 U.S.C. § 3661 is implicated by a given change);
- *Commonwealth of Pennsylvania v. DeJoy*, 490 F. Supp. 3d 833, 884-887 (E.D. Pa. 2020) (applying the *Buchanan* factors to operational changes made in 2020 and preliminarily enjoining such changes), *order clarified*, No. CV 20-4096, 2020 WL 6580462 (E.D. Pa. Oct. 9, 2020);

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<sup>26</sup> The Postal Service stated that “[w]hile short-term impacts to service performance during the execution process may occur, [it] will monitor any impacts that occur, and may make adjustments as necessary and warranted.” Response to CHIR No. 5, question 8.

- *New York v. Trump*, 490 F. Supp. 3d 225, 242-243 (D.D.C. 2020) (same), *order clarified*, No. 20-CV-2340(EGS), 2020 WL 6572675 (D.D.C. Oct. 22, 2020), *appeal dismissed*, No. 20-5352, 2021 WL 672390 (D.C. Cir. Feb. 10, 2021), and *appeal dismissed*, No. 20-5352, 2021 WL 672390 (D.C. Cir. Feb. 10, 2021), and *opinion clarified*, No. 20-CV-2340(EGS), 2021 WL 7908123 (D.D.C. Apr. 3, 2021);
- Docket No. N2006-1, Advisory Opinion Concerning a Proposed Change in the Nature of Postal Services, December 19, 2006, ¶¶ 2001, 3003 (applying 39 U.S.C. § 3661(b) to changes in the application of standards to 3-Digit ZIP Code service area origin-destination pairs);
- Docket No. N2009-1, Advisory Opinion Concerning the Process for Evaluating Closing Stations and Branches, March 10, 2010, at 11 (applying 39 U.S.C. § 3661(b) to a plan to consolidate stations and branches);
- Docket No. N2012-2, United States Postal Service Request for an Advisory Opinion on Changes in the Nature of Postal Services, May 25, 2012, at 2 (acknowledging that that the scope of the changes in service resulting from the Postal Service’s Post Office Structure Plan could result in “substantially nationwide” changes); and
- Docket No. N2014-1, United States Postal Service Request for an Advisory Opinion on Changes in the Nature of Postal Services, December 27, 2013, at 1 (stating that a change in the manner in which Postal Service processes mail that qualifies for a Destination Sectional Center Facility discount “arguably result[s] in a nationwide change”).

The Postal Service must support its statements with sufficient data and analysis showing how the DFA initiatives, implemented together, do not constitute significant, nationwide service changes.

Otherwise, the Postal Service must file a request for an advisory opinion including the initiatives discussed in this Order pursuant to 39 U.S.C. § 3661(b) and 39 C.F.R. part 3020 within 40 days of this Order.

## V. ORDERING PARAGRAPHS

*It is ordered:*

1. Pursuant to 39 U.S.C. §§ 503 and 3661(b), the Commission directs the Postal Service to show cause within 20 days as to why it has not violated Section 3661(b) by not seeking an advisory opinion prior to implementing initiatives transforming its processing, transportation, and delivery networks including the RPDC, LPC, S&DC, LTO, and logistics career insourcing initiatives as discussed in the body of this Order.
2. If unable to show cause, the Postal Service must file a request for an advisory opinion consistent with 39 C.F.R. part 3020 within 40 days.

By the Commission.

Erica A. Barker  
Secretary

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