

Network Rationalization Service Standard Impacts

The postal facility consolidation proposals developed in accordance with the USPS Handbook PO-408 Area Mail Processing (AMP) guidelines that are part of the Network Rationalization Plan were submitted for public comment and acted upon by postal management in early 2012. Consistent with Pub.L. 109-435, Title III, § 302(c)(3)(D)(ii), each AMP proposal contained a summary of available information regarding the service standard changes expected to be implemented and a summary of other known service effects expected to result from the Network Rationalization initiative, including the specific service standard changes that were being contemplated for various postal products.

Ordinarily, when a specific AMP facility consolidation proposal is being contemplated, existing service standards and the configuration of the remainder of the network are held constant. In those circumstances, each specific proposal submitted for public comment and reviewed by senior postal management can include an estimate of the percentage of First-Class Mail and Package Services volume in the affected service area that is expected to experience no service change, a service upgrade or a service downgrade. Although the service standard change proposals under review in early 2012 were known, they had not been finally determined. The simultaneous pendency of approximately 250 AMP facility consolidations meant that the network could not be held constant for purposes of estimating for each specific AMP consolidation the percentage of mail volume expected to experience a specific service standard change. Accordingly, such information -- neither specifically required by section 302(c)(3)(D)(ii) nor necessary to a determination of the feasibility of a specific AMP consolidation -- was not included in the Network Rationalization consolidation proposals submitted for public comment and acted upon in early 2012. Nevertheless, each AMP facility consolidation decision package approved under these conditions in early 2012 contained an advisory notice that after the service standard changes were finalized and the future network configuration was resolved, estimates of the percentage of mail volume expected to experience specific service standard changes could be calculated and would be posted. This document contains those estimates.

The relevant service standard business rule changes were implemented in two phases. The first phase was initiated on July 1, 2012. The second phase of the business rule changes occurs on January 5, 2015.

Consistent with USPS Handbook PO-408, the following analysis utilizes volume data from the Origin Destination Information System (ODIS) for the time period when the facility consolidation studies were completed. The starting point is the service standards from January 1, 2012 compared to those in effect October 1, 2015. This reflects the impact of the national service standard changes effective July 1, 2012 and January 5, 2015, as well as the impacts of the consolidations. This analysis assumes implementation of all of the listed consolidations.

The percentages shown for each facility consolidation represent the estimated volume of mail for which the service standard either is unchanged or upgraded.

Facilities: Customer Service Mail Processing Center (CSMPC), Processing & Distribution Center (P&DC) and Processing & Distribution Facility (P&DF).

Consolidations: Originating & Destinating (O/D), Originating only (O), Destinating only (D).

Effective January 15, 2015: The following service standard impacts have been updated based on corrected information: Northwest Boston MA P&DF, Elko NV CSMPC and Erie PA P&DF.

Phase 1

The facility consolidations listed below are those completed before October 1, 2014. These consolidations are generally referred to Phase 1 consolidations in the Network Rationalization plan because they could be implemented before the January 5, 2015 (Phase 2) service standard business rule changes.

| Consolidation Site | Consolidation Type | First-Class Mail | Package Services |
|------------------------|--------------------|------------------------|------------------------|
| | | % Unchanged + Upgrades | % Unchanged + Upgrades |
| Alamogordo NM CSMPC | O/D | 56.2% | 96.1% |
| Alamosa CO CSMPC | O/D | 55.5% | 99.1% |
| Albany GA CSMPC | O/D | 34.8% | 55.9% |
| Alliance NE CSMPC | O/D | 26.7% | 99.8% |
| Altoona PA P&DF | O/D | 50.1% | 99.7% |
| Anniston AL CSMPC | O/D | 40.7% | 100.0% |
| Athens OH CSMPC | D | 34.2% | 98.9% |
| Bakersfield CA P&DC | O/D | 50.7% | 43.3% |
| Binghamton NY CSMPC | D | 43.3% | 94.3% |
| Bloomington IL P&DF | O/D | 49.5% | 93.7% |
| Bloomington IN P&DF | D | 38.8% | 99.7% |
| Bowling Green KY P&DF | D | 40.8% | 86.8% |
| Brooklyn NY P&DC | O | 51.3% | 95.9% |
| Bryan TX P&DF | D | 46.6% | 100.0% |
| Canton OH P&DF | D | 42.1% | 99.9% |
| Carbondale IL CSMPC | O/D | 39.6% | 100.0% |
| Carroll IA CSMPC | O/D | 44.5% | 99.9% |
| Centralia IL CSMPC | O/D | 36.1% | 99.5% |
| Chillicothe OH CSMPC | O/D | 42.5% | 99.8% |
| Clarksburg WV P&DF | O/D | 32.4% | 97.2% |
| Clovis NM CSMPC | O/D | 47.7% | 95.6% |
| Colby KS CSMPC | D | 20.6% | 80.7% |
| Creston IA CSMPC | O/D | 26.8% | 100.0% |
| Devils Lake ND CSMPC | O/D | 23.8% | 99.7% |
| Dodge City KS CSMPC | O/D | 30.2% | 99.3% |
| Dothan AL CSMPC | O/D | 47.4% | 99.9% |
| Durango CO CSMPC | O/D | 39.0% | 26.0% |
| East Texas P&DC | O/D | 48.1% | 99.2% |
| Effingham IL CSMPC | O/D | 40.6% | 99.5% |
| Elizabethtown KY CSMPC | O/D | 36.3% | 99.8% |
| Everett WA P&DF | O/D | 39.9% | 99.4% |
| Farmington NM CSMPC | O/D | 49.0% | 100.0% |

| | | First-Class Mail | Package Services |
|-----------------------------|--------------------|------------------------|------------------------|
| Consolidation Site | Consolidation Type | % Unchanged + Upgrades | % Unchanged + Upgrades |
| Fort Lauderdale FL P&DC | D | 61.0% | 100.0% |
| Fort Worth TX P&DC | O | 45.8% | 78.2% |
| Gaylord MI P&DF | O/D | 47.0% | 99.9% |
| Greensburg PA CSMPC | D | 34.6% | 100.0% |
| Harrison AR P&DF | D | 31.3% | 100.0% |
| Hays KS CSMPC | D | 41.6% | 100.0% |
| Hazard KY CSMPC | O/D | 47.9% | 94.3% |
| Helena MT CSMPC | D | 43.3% | 100.0% |
| Hot Springs Ntl Pk AR CSMPC | D | 45.5% | 99.8% |
| Hutchinson KS CSMPC | D | 40.5% | 99.8% |
| Jackson MI CSMPC | D | 48.7% | 99.9% |
| Jackson TN P&DF | D | 44.3% | 100.0% |
| Johnson City TN CSMPC | O/D | 39.2% | 87.1% |
| Jonesboro AR CSMPC | O/D | 25.8% | 99.7% |
| Kilmer NJ P&DC | D | 50.5% | 99.5% |
| Kinston NC P&DF | D | 36.7% | 100.0% |
| Lafayette LA P&DF | O | 22.9% | 20.5% |
| Lakeland FL P&DC | D | 73.3% | 99.8% |
| Liberal KS CSMPC | O/D | 26.9% | 79.3% |
| London KY P&DF | D | 52.9% | 95.4% |
| Long Beach CA P&DC | D | 43.0% | 99.9% |
| Lufkin TX P&DF | D | 58.5% | 100.0% |
| Lynchburg VA P&DF | D | 39.4% | 99.7% |
| Mcalester OK CSMPC | D | 47.6% | 100.0% |
| Monmouth NJ P&DC | D | 56.9% | 99.8% |
| New Castle PA P&DF | D | 54.4% | 100.0% |
| Northwest Boston MA P&DF | O/D | 43.8% | 99.7% |
| Olympia WA P&DF | D | 35.8% | 98.6% |
| Oshkosh WI P&DF | O | 32.1% | 88.9% |
| Panama City FL P&DF | D | 35.6% | 99.9% |
| Parkersburg WV CSMPC | D | 27.8% | 84.4% |
| Pasadena CA P&DC | D | 45.8% | 99.8% |
| Pasco WA P&DF | O/D | 31.9% | 98.7% |
| Plattsburgh NY CSMPC | O/D | 61.3% | 99.0% |
| Quincy IL P&DF | O/D | 37.6% | 96.4% |
| Rawlins WY CSMPC | O/D | 42.1% | 100.0% |
| Reading PA P&DF | D | 36.8% | 99.4% |

| Consolidation Site | Consolidation Type | First-Class Mail | Package Services |
|--------------------------|--------------------|------------------------|------------------------|
| | | % Unchanged + Upgrades | % Unchanged + Upgrades |
| Rochester MN P&DF | O/D | 32.7% | 99.6% |
| Rockford IL P&DC | D | 39.2% | 69.8% |
| Rockford IL P&DC | O | 49.3% | 82.5% |
| Roswell NM CSMPC | O/D | 40.8% | 92.4% |
| Saginaw MI P&DC | D | 49.0% | 99.9% |
| Saint Petersburg FL P&DC | D | 52.4% | 99.9% |
| Salem OR P&DF | O/D | 37.0% | 99.0% |
| Salida CO CSMPC | O/D | 59.7% | 99.0% |
| Savannah GA P&DF | O/D | 45.9% | 93.2% |
| Socorro NM CSMPC | O/D | 43.5% | 100.0% |
| Somerset KY CSMPC | O/D | 38.0% | 95.0% |
| South Florida P&DC | D | 59.7% | 99.9% |
| Southeastern PA P&DC | O/D | 59.7% | 97.9% |
| Steubenville OH CSMPC | O/D | 46.3% | 99.4% |
| Stockton CA P&DC | D | 45.4% | 99.7% |
| Swainsboro GA CSMPC | O/D | 63.6% | 94.0% |
| Terre Haute IN P&DF | O/D | 36.6% | 96.7% |
| Topeka KS P&DF | O/D | 36.8% | 99.9% |
| Truth Or Cons NM CSMPC | O/D | 71.2% | 99.6% |
| Tucumcari NM CSMPC | O/D | 33.7% | 100.0% |
| Tupelo MS CSMPC | O/D | 40.0% | 100.0% |
| Tuscaloosa AL CSMPC | O/D | 37.3% | 99.8% |
| Wareham MA CSMPC | D | 58.5% | 100.0% |
| Waycross GA CSMPC | D | 68.1% | 100.0% |
| Wheatland WY CSMPC | O/D | 46.5% | 100.0% |
| Williamsport PA P&DF | O/D | 48.9% | 99.5% |
| Wolf Point MT CSMPC | O/D | 38.8% | 100.0% |

Note: All shapes (letters, flats, packages) are included in their respective mail classes shown above.

Phase 2

The facility consolidations listed below are the Phase 2 consolidations in the Network Rationalization associated with the second phase of the service standard business rule changes and planned for final implementation after January 5, 2015.

| Consolidation Site | Consolidation Type | First-Class Mail | Package Services |
|--------------------------|--------------------|------------------------|------------------------|
| | | % Unchanged + Upgrades | % Unchanged + Upgrades |
| Abilene TX CSMPC | O/D | 30.8% | 99.1% |
| Akron OH P&DC | O/D | 38.6% | 99.3% |
| Asheville NC P&DF | O/D | 45.0% | 99.6% |
| Athens GA P&DF | D | 37.1% | 99.8% |
| Augusta GA P&DF | D | 49.5% | 96.4% |
| Beaumont TX P&DF | D | 53.6% | 98.8% |
| Bemidji MN CSMPC | D | 57.0% | 98.9% |
| Bend OR CSMPC | O/D | 70.1% | 98.2% |
| Buffalo NY P&DC | O/D | 31.0% | 99.6% |
| Campton KY CSMPC | O/D | 41.3% | 100.0% |
| Cape Girardeau MO P&DF | O/D | 38.1% | 99.8% |
| Central Mass P&DC | O/D | 37.2% | 99.3% |
| Chattanooga TN P&DC | O/D | 46.1% | 63.3% |
| Colorado Springs CO P&DC | O/D | 51.7% | 99.3% |
| Corpus Christi TX P&DC | O/D | 51.2% | 99.9% |
| Dakota Central P&DF | O/D | 44.2% | 99.8% |
| Dallas TX P&DC | D | 65.6% | 99.7% |
| Dayton OH P&DC | D | 42.6% | 99.8% |
| Duluth MN P&DF | O/D | 47.8% | 99.6% |
| Eau Claire WI P&DF | O/D | 38.4% | 99.3% |
| Elko NV CSMPC | O/D | 57.7% | 100% |
| Erie PA P&DF | O/D | 40.4% | 100% |
| Eugene OR P&DF | O/D | 53.0% | 98.4% |
| Eureka CA CSMPC | O/D | 28.5% | 62.5% |
| Fayetteville NC P&DC | O/D | 34.7% | 48.5% |
| Florence SC P&DF | O/D | 45.9% | 99.5% |
| Fox Valley IL P&DC | D | 65.8% | 99.8% |
| Gainesville FL P&DF | D | 56.0% | 99.6% |
| Gary IN P&DC | O/D | 48.8% | 99.7% |
| Grand Island NE P&DF | O/D | 28.1% | 99.6% |
| Grenada MS CSMPC | O/D | 49.3% | 99.8% |
| Gulfport MS P&DF | O/D | 49.3% | 84.1% |
| Hattiesburg MS CSMPC | O/D | 36.1% | 99.7% |

| | | First-Class Mail | Package Services |
|---------------------------|--------------------|------------------------|------------------------|
| Consolidation Site | Consolidation Type | % Unchanged + Upgrades | % Unchanged + Upgrades |
| Houston TX P&DC | O/D | 57.9% | 99.8% |
| Huntsville AL P&DF | D | 47.0% | 99.9% |
| Industry CA P&DC | D | 41.8% | 99.8% |
| Iron Mountain MI P&DF | O/D | 37.9% | 99.1% |
| Kalamazoo MI P&DC | D | 59.9% | 100.0% |
| Kokomo IN P&DF | O/D | 33.4% | 99.0% |
| La Crosse WI P&DF | O/D | 35.6% | 99.9% |
| Lafayette IN P&DF | D | 37.1% | 100.0% |
| Lancaster PA P&DF | D | 43.1% | 99.5% |
| Lansing MI P&DC | O/D | 40.4% | 99.6% |
| Lexington KY P&DC | O/D | 37.5% | 97.7% |
| Mankato MN P&DF | O/D | 42.2% | 99.7% |
| Mid-Florida P&DC | O/D | 63.8% | 99.7% |
| Mid-Hudson NY P&DC | O/D | 53.5% | 99.8% |
| Middlesex Essex MA P&DC | O/D | 52.5% | 99.2% |
| Minot ND CSMPC | O/D | 37.3% | 99.0% |
| Muncie IN P&DF | D | 36.2% | 99.8% |
| New Orleans LA P&DC | O/D | 32.5% | 99.4% |
| Norfolk NE P&DF | O/D | 24.3% | 99.6% |
| Norfolk VA P&DC | O/D | 38.9% | 99.7% |
| North Bay CA P&DC | D | 52.0% | 99.5% |
| Northern NJ Metro P&DC | O/D | 47.4% | 63.1% |
| Paducah KY P&DF | O/D | 42.1% | 99.8% |
| Pendleton OR CSMPC | O/D | 48.7% | 99.3% |
| Pocatello ID CSMPC | O/D | 40.6% | 99.1% |
| Provo UT CSMPC | O/D | 71.8% | 93.2% |
| Queens NY P&DC | D | 54.2% | 99.3% |
| Redding CA CSMPC | O/D | 37.2% | 99.5% |
| Roanoke VA P&DC | O/D | 38.9% | 98.0% |
| Rock Springs WY CSMPC | O/D | 46.2% | 99.3% |
| Rocky Mount NC P&DF | O/D | 35.2% | 99.6% |
| Saint Cloud MN P&DF | O/D | 44.4% | 96.8% |
| Salina KS P&DF | O/D | 31.4% | 42.4% |
| Scranton PA P&DF | O/D | 58.9% | 99.5% |
| South Bend IN P&DC | O/D | 56.0% | 99.5% |
| Southern Connecticut P&DC | O/D | 46.9% | 99.4% |
| Southern MD P&DC | O | 45.0% | 99.1% |

| | | First-Class Mail | Package Services |
|---------------------------|---------------------------|-------------------------------|-------------------------------|
| Consolidation Site | Consolidation Type | % Unchanged + Upgrades | % Unchanged + Upgrades |
| Springfield MO P&DF | O/D | 41.8% | 99.7% |
| Stamford CT P&DC | O/D | 50.4% | 99.6% |
| Tacoma WA P&DC | O/D | 34.4% | 69.5% |
| Toledo OH P&DF | O/D | 39.4% | 94.9% |
| Tucson AZ P&DC | O/D | 46.6% | 99.6% |
| Tulsa OK P&DC | O/D | 39.4% | 99.7% |
| Waco TX P&DF | O/D | 53.4% | 74.6% |
| Wausau WI P&DF | O/D | 45.8% | 99.2% |
| Wenatchee WA CSMPC | O/D | 28.7% | 99.6% |
| Youngstown OH P&DF | O/D | 33.2% | 99.4% |

Note: All shapes (letters, flats, packages) are included in their respective mail classes shown above.