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USPS Improving Service Reliability, Financial Sustainability in First Two Years of Delivering for America Plan

New progress report details milestones to date under 10-year plan, including:

- *Improved operating practices across the organization driving transformational change.*
- *Service performance improves today with 98% of American public receiving mail and packages within three days.*
- *Self-sustaining initiatives reduce projected 10-year loss despite inflation.*
- *Stabilized the workforce by converting 125,000 pre-career employees to full-time positions.*
- *Plan underway to electrify nation's largest and oldest federal fleet.*
- *Network Transformation initiated will enable world-class service performance at affordable prices.*

WASHINGTON — The United States Postal Service today released its [Second-Year Progress Report](#) on Delivering for America (DFA), the 10-year plan to return the organization to financial sustainability and achieve service excellence while maintaining universal six-day mail delivery and expanding seven-day package delivery.

“As we enter the third year of our Delivering for America plan, there is a new energy and vibrancy at the U.S. Postal Service,” said Postmaster General and Chief Executive Officer Louis DeJoy. “As I travel the nation meeting with the great men and women of the Postal Service, it is clear the investments we are making are paying off — and it is showing through our improved delivery for the American people and our business customers. The progress we’ve made in the last two years demonstrates that our plan is realistic and achievable. We’re just getting started.”

The Delivering for America plan was published March 23, 2021, to transform the Postal Service from an organization in financial and operational crisis to one that is self-sustaining and high performing. In the first two years since, the Postal Service has aggressively advanced core DFA strategies and initiatives. While much work remains to be done to address the Postal Service’s financial and operational performance, DFA has already demonstrated that the path forward is achievable, and that the organization is working to be financially self-sustaining, high performing and provide excellent service to the nation.

DFA Two-Year Milestones Include:

- **Aligned for Operational Excellence:** USPS is intensely focused on becoming the high-performing organization the public expects. Today, our Executive Leadership Team and organizational structure are aligned around achievable goals with a level of accountability consistent with top-performing organizations in private industry.
- **Positioned to Financially Break Even Over Next 10 Years, Despite Inflation:** Just two years into the 10-year plan, projected losses for the decade have been reduced by more than half — from \$160 billion to \$70 billion. That is significant progress toward our 2030 10-year break-even goal. Even with the unexpected burden of inflation, the organization still forecasts we can achieve break-even operations by the end of DFA’s 10-year period.

- **Fostering Service Excellence for the American People:** We have already reversed years of declining reliability and are closing in on meeting the primary objective of 95 percent on-time performance across all mail types. In fiscal year 2022, all market-dominant products experienced increased service performance over FY2021. In FY22, 95.6% of packages were delivered on-time; On average, 99.9% of packages were delivered in less than three days.
- **Converting 125,000 Employees to Full-Time Positions:** We have focused steadily on stabilizing our workforce and have converted 125,000 pre-career workers to full-time career employees since October 2020, including 50,000 conversions between April 2022 and March 2023.
- **Modernizing Our Delivery and Processing Network:** We have committed nearly \$7.6 billion of the plan's \$40 billion self-funded investment budget to create a modernized postal network and work is underway, including:
 - **Six New Sorting and Delivery Centers:** We have started to open larger, centrally located Sorting and Delivery Centers (S&DCs). These facilities are comprised of both new and repurposed facilities and to provide faster and more reliable mail and package delivery over a greater geographic area. The first S&DC opened in Athens, GA last fall and is already demonstrating operational benefits. In Feb. 2023, S&DCs opened in Gainesville, FL; Panama City, FL; Woburn, MA; Utica, NY; and Bryan, TX. We are currently evaluating more than 100 new S&DC locations nationwide.
 - **New Regional Processing and Distribution Centers Underway:** Our processing network is also being overhauled. We have launched a new, flexible construction program to create a modern, streamlined and effective network of new or reimagined, clean, spacious and bright processing facilities. These purpose-built or purpose-redesigned Regional Processing and Distribution Centers (RPDCs) — in some instances, more than 1 million square feet in size — will enable new, effective workflows that simplify the movement of all classes of mail and packages. Design for 11 new RPDCs is underway (Atlanta, GA; Richmond, VA; N. Houston, TX; Greensboro, NC; Santa Clarita, CA; Portland, OR; Charlotte, NC; Chicago, IL; Indianapolis, IN; Jacksonville, FL; Boise, ID). Four RPDCs will be opened in 2023 (Atlanta, GA; Richmond, VA; Charlotte, NC; and Chicago, IL). In the coming years, we expect to open about 60 RPDCs across the country.
- **Increased Daily Package Processing Capacity to 60 Million.** In the past two years, we have purchased and installed 249 new package processing machines across the nation. These machines, coupled with operational precision improvements, have increased daily packaging capacity processing to 60 million.
- **Updating and Electrifying the Nation's Largest and Oldest Federal Fleet.** Modernizing our mail delivery fleet is a critical part of DFA. From the start, we committed to purchase the most environmentally sustainable vehicles across our entire ground fleet consistent with financial and operational considerations, with the understanding that the electrification of our fleet could be accelerated as our strategy evolved, as technology improved, and as our financial condition stabilized.
 - In December 2022, USPS announced plans to acquire 106,000 new vehicles, including at least 66,000 battery electric delivery vehicles, this includes at least 45,000 battery electric-powered Next Generation Delivery Vehicles (NGDVs) and 21,000 commercial off-the-shelf vehicles (COTS) that we expect to be battery electric-powered. In February 2023, USPS placed the first order for 9,500 electric vehicles and 14,000 electric vehicle charging stations.

Additional milestones in the first two years of Delivering for America include:

- Enactment of the Postal Service Reform Act (April 2022)
- Implementation of new service standards for select Market Dominant and Competitive products
- Judicious implementation of new pricing authority
- New offerings to expand package delivery, including USPS Connect

As the Postal Service enters the third year of the Delivering for America plan, the organization continues its focus on improving service reliability for the American public and business customers by modernizing the outmoded and aging postal network across the nation, operational stabilization, and new competitive product offerings for our customers.

To learn more and read the Second-Year Progress Report and the Delivering For America plan in full, visit usps.com/deliveringforamerica.

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Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to nearly 165 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, [Delivering for America](#), to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands.

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

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