

Transmitted by Email to NEPA@usps.gov

Mr. Davon Collins
Environmental Counsel
United States Postal Service
475 L'Enfant Plaza SW, Office 6606
Washington, DC 20260-6201

Re: NGO Comments on the U.S. Postal Service's Draft Supplemental Environmental Impact Statement for Next Generation Delivery Vehicle (NGDV) Acquisitions

Dear Mr. Collins:

The Natural Resources Defense Council (NRDC), Union of Concerned Scientists (UCS), Coltura, and the Zero Emission Transportation Association (ZETA) respectfully submit these comments in response to the United States Postal Service's ("Postal Service" or "USPS") Draft Supplemental Environmental Impact Statement (SEIS) for Next Generation Delivery Vehicle (NGDV) Acquisitions.

I. Introduction

A. Praise for Improvements

With more than 235,000 vehicles,¹ the Postal Service's delivery fleet is not only one of the largest in the world, but it has the potential to be among the most influential in delivering equitable progress towards cleaner air and a more stable climate. To date, the Postal Service has not lived up to its "Commitments to Environmental Excellence," but a fleet modernization plan that maximizes electrification would represent a significant step towards doing so.²

The Postal Service has made meaningful improvements to their overall fleet modernization plan since the publication of the Final Environmental Impact Statement (FEIS) for the NGDV in December 2021. Recognizing the value of a delivery fleet comprised mostly of battery-electric vehicles (BEVs) is a significant step towards reducing climate-warming emissions and air pollutants, as well as a more financially stable fleet. A clear commitment to maximize electrification would put our national postal fleet within reach of becoming an international leader in clean and efficient freight delivery. As countries around the world move rapidly towards an electric transportation future, leveraging the Postal Service's purchasing power to acquire

¹ USPS operates more than 235,000 vehicles in the United States. See United States Postal Service, Postal Facts. Available at:

<https://facts.usps.com/postal-service-has-more-than-200000-vehicles/#:~:text=The%20Postal%20Service%20has%20more.civilian%20fleets%20in%20the%20world>

² "United States Postal Service Commitment to Environmental Excellence." United States Postal Service. January 2022.

<https://about.usps.com/what/corporate-social-responsibility/sustainability/report/2022/usps-annual-sustainability-report.pdf>

greater numbers of BEVs than those projected in the draft SEIS would promote American economic competitiveness and help ensure the United States remains at the forefront of this global transition.

Additionally, we are pleased that the Postal Service understands that replacing its aging and polluting delivery fleet will have implications for the communities most impacted by air pollution from transportation. Where the previous analysis stated four separate times that fleet modernization would “result in no to negligible impact” on environmental justice, this draft SEIS included a more genuine attempt to understand potential outcomes.³ This information presents the Postal Service with an opportunity to deliver equitable change and should be used in determining how fleet modernization can be a vehicle for reducing negative health burdens on our most disadvantaged neighbors.

B. Statement of Principles

Need to Maximize Emissions Reductions

Despite the above improvements, the draft SEIS still includes fundamental flaws in its assumptions, data inputs, and analytics that result in an arbitrary ceiling for fleet electrification feasibility and economics. We believe that a more holistic analysis supported by reasonable assumptions and credible economic and technological data inputs may present a stronger case for further electrification. While it is understandable that the Postal Service may require combustion-powered delivery vehicles for niche routes in the short-term, reaching the fleet’s maximum feasible electrification potential of 90 percent will reduce ongoing expenditures, contributions to climate change, and negative air quality impacts. Furthermore, the ubiquitous nature of zero-emission Postal Service delivery vehicles across the country would serve as a testament to the Postal Service’s innovation and leadership while visually reaffirming to consumers considering their own purchasing decisions that BEVs can meet their personal transportation needs.

We are glad to see that around 85 percent of Candidate Sites slated for focused BEV deployment were located in communities experiencing environmental injustices.⁴ However, we believe the Postal Service would better meet its stated goal to fulfill the spirit of the Federal Government’s commitments to equitably address air pollution by clearly committing to prioritize near-term BEV deployment at facilities responsible for highest fuel consumption in the most impacted neighborhoods in the Final SEIS. Accelerated replacement of older delivery vehicles stationed in and serving these communities would not only help to reduce exposure to harmful air pollution faster, but could be a catalyst for community co-benefits such as electricity grid improvements. We understand that some flexibility may be required to ensure the successful rollout of this momentous transition, however the significant level of influence wielded by this

³ Final Environmental Impact Statement for Purchase of Next Generation Delivery Vehicles.” United States Postal Service. December 2021. https://uspsngdveis.com/documents/USPS+NGDV+FEIS_Dec+2021.pdf

⁴ USPS Draft SEIS, Table 4-11.2

action warrants close attention to ensure equitable, meaningful, and lasting benefits for disadvantaged communities.

Focusing BEV NGDV deployment at facilities and on routes responsible for the highest fleet vehicle miles traveled (VMT) and fossil fuel use will ensure both maximum reductions in air and climate-warming pollution as well as accelerated recuperation of capital expenditures for BEVs and related infrastructure. While we assume that the Postal Service's stated preference for focusing BEV NGDV deployment at "Candidate Sites" may result in maximum fossil fuel displacement, this was not made clear in SEIS. We recommend that the Postal Service rely on historic auditing data of VMT and fuel use, such as those gathered in the Automated Vehicle Utilization System, to best determine where BEV deployment can maximize fossil fuel displacement. Additionally, we request that these data be publicly available and easily accessed online.

At the highest level, fleet modernization must focus on reducing fossil fuel use as much as possible across the entire fleet –for delivery, distribution, and service vehicles. Although this draft SEIS pertains only to the delivery fleet, the Postal Service could affect long-term economic and administrative efficiencies by acting on this initial fleet modernization action as a first step towards overall fleet electrification. A number of recent studies suggest that most classes of electric heavy-duty vehicles will reach both upfront and total-cost parity with their combustion counterparts within a decade.⁵ Actions taken today to prepare for zero-emission vehicles fleetwide will put the Postal Service in a better place to benefit from an accelerated transition.

Additionally, the Postal Service should strive to electrify promptly the facilities and routes using the most gasoline and prepare for electrification of all feasible routes. The market for zero-emission commercial vehicles is expanding rapidly with availability up around 30 percent in the past three model years.⁶ Where certain routes may not be suitable for electrification today, they likely will be in the near future as new models of varying capabilities and ranges come to market.

Need to Ensure Successful Rollout and Long-Term Operations

Equally vital to strengthening the Postal Service's commitment to fleet electrification is ensuring the successful rollout and sustainable long-term operation of the modern postal fleet. The Postal Service must take appropriate steps now to ensure that the BEV delivery fleet remains successfully operational for its full useful life. This will maximize fleetwide emissions reduction potential. Given they emit zero tailpipe emissions, the environmental benefits from electric vehicles are compounded the longer they are in operation. Furthermore, as the electricity grid continues to decarbonize, BEV operations become even cleaner.

⁵ See "Analyzing the Impact of the Inflation Reduction Act on Electric Vehicle Uptake in the United States," *The International Council on Clean Transportation*, January 2023, <https://theicct.org/wp-content/uploads/2022/01/cost-ev-vans-pickups-us-2040-jan22.pdf>

⁶ Zero-Emission Technology Inventory website. CALSTART. <https://globaldrivetozero.org/tools/zeti/>

While the expanded electrification signaled in the draft SEIS is a positive signal, the plan includes other assumptions that not only serve to limit electrification potential, but may also hinder long-term success. For example, pursuing Nickel Manganese Cobalt (NMC) battery chemistry under the assumption that each vehicle will need to fully charge each night will lead to accelerated range and performance degradation. A Lithium Iron Phosphate (LFP) battery chemistry for the BEV NGDVs, a more strategic charging plan, and a diversified charging infrastructure would lead to reduced upfront and long-term expenditures as well as a more durable and adaptive fleet over the long term. A reconsideration of these plans and actions would also allow the Postal Service to expand BEVs within the fleet and accelerate their deployment.

We agree with the Postal Service's stated plan to concentrate the initial deployment of the BEV delivery fleet at larger postal facilities. Although the Postal Service has experimented with electric vehicles throughout its history, this is the first planned mass-deployment of this technology. Concentrating BEV deployment will provide several economic, operational, and administrative benefits to the Postal Service.

First and perhaps most obviously, concentrating BEVs at the largest facilities would allow the Postal Service to take advantage of economies of scale when purchasing and installing EVSE and upgrading maintenance bays for the new fleet. Similarly, it would require reduced planning and project management for grid interconnection requests and related permits as opposed to a wide dispersal of the initial BEV fleet. Finally, it would also enable the Postal Service to better target training for drivers and mechanics slated to work with the BEV fleet. Each of these may serve to accelerate BEV deployment.

Need to Maximize Co-Benefits

This multi-year, multi-billion-dollar modernization effort presents the Postal Service with a unique opportunity to drive positive change throughout our economy. Although the primary mission of the Postal Service is to provide our nation with reliable, affordable, and universal mail service, the impacts and legacy of the Postal Service reach even further. This endeavor is occurring at the onset of a worldwide shift towards zero-emission transportation and well-placed, strategic investments by any government agency or large enterprise could serve as a catalyst for greater good.

The Postal Service's transition to zero-emission vehicles will have implications well beyond the delivery and logistics fleets. Any significant fleet deployment of electric delivery vehicles in a concentrated area will help to jumpstart the grid and infrastructure work needed to usher in further ZEV deployment. That is to say that Postal Service electrification could be a catalyst for the larger transition for delivery and commercial fleets. During planning, construction, and deployment for the BEV delivery fleet, the Postal Service should coordinate with businesses and facilities adjacent to Candidate Sites that may also be interested in electrification. Doing so may create additional efficiencies in permitting and planning.

While preparing postal facilities for electric delivery vehicles, the Postal Service should take the opportunity wherever possible to plan and execute the installation of public-facing EV fast-chargers for postal customers. Such a service would generate additional revenue for the Postal Service while expanding access to charging nationwide given the Postal Service's locational footprint in nearly every community in the United States. This would be particularly helpful at rural Post Offices and those in urban areas with parking lots – two areas that often lack public charging opportunities.

With well over 100,000 vehicles slated to be manufactured under this plan, the Postal Service should be mindful of the direct and indirect impacts on workers and jobs associated with NGDV manufacturing and facility updates including EVSE installation. The Postal Service has a unique opportunity to ensure that the federal funding received for its electrification efforts is fully leveraged to invest in communities and create high-quality jobs.

Need to Align with the Agency's Annual Sustainability Report Commitments

Additionally, maximizing the number of BEVs in the Postal Service's fleet is not only essential but also aligns with the agency's commitment to sustainability and environmental responsibility, which was laid out in the agency's 2022 Annual Sustainability Report⁷ and reiterated in a memorandum from Postmaster General Louis DeJoy.⁸ Some of these principles are explored throughout this section.

Principle 1: Environmental Management and Compliance

The Postal Service states that it is committed to meeting or exceeding compliance with all applicable environmental laws and regulations but the fact still stands that the agency is moving forward with a contract that was awarded prior to the National Environmental Policy Act (NEPA) process. Additionally, the agency is still not fully transparent about certain economic assumptions and several deficiencies exist related to the assumptions disclosed, and the agency also fails to consider feasible alternatives to the proposed action that would exceed electrification levels greater than 62 percent for the next fleet purchase – a number that is seemingly arbitrarily set given that the Office of the Postal Service Inspector General asserts that greater electrification levels are not only feasible, but beneficial to the agency's long-term delivery needs.⁹

The agency's sustainability report also states that integrating "pollution prevention, waste and energy reduction, recycling, and reuse of materials" into Postal Service operations is a priority.

⁷ 2022 Annual Sustainability Report. U.S. Postal Service, 2022. <https://about.usps.com/what/corporate-social-responsibility/sustainability/report/2022/usps-annual-sustainability-report.pdf>

⁸ "United States Postal Service Commitment to Environmental Excellence." U.S. Postal Service, January 2022. <https://about.usps.com/what/corporate-social-responsibility/sustainability/pdf/usps-commitment-to-environmental-excellence-202201.pdf>

⁹ Office of Inspector General, USPS. Audit Report: Delivery Vehicle Acquisition Strategy, August 2020. Available at: <https://www.uspsoig.gov/sites/default/files/reports/2023-01/RISC-WP-22-003.pdf>

Increasing the percentage of the fleet that is electrified is certainly one key way the agency can deliver upon this particular sustainability pledge, since BEVs are a cleaner alternative to combustion engine vehicles. Additionally, unlike gasoline or other fossil fuels which can only be used once and emit harmful pollutants upon combustion, the critical minerals used in EV batteries can be recycled and reused, extending their lifecycle and minimizing waste.

The Postal Service claims that “[s]pent lithium-ion BEV batteries would be an additional source of hazardous waste for the BEV procurement scenarios. Recycling methods in the U.S. are currently limited and vary in recovery capabilities, although the recently signed IRA includes specific funding programs for development of facilities to recycle critical materials.”¹⁰ Electric vehicle batteries are classified as hazardous waste according to EPA and DOT, but they can be safely recycled to recover 95 percent of critical minerals for reuse in new batteries today at commercial-scale hydrometallurgical recyclers, such as Redwood Materials and Li-Cycle.¹¹ In addition, direct cathode recycling, which can recover a cathode without breaking it down into separate materials, is under development by several startups like Princeton NuEnergy as well as the National Lab research group, ReCell.¹² More funding was made available through the Bipartisan Infrastructure Law for advanced recycling research.¹³ By the time the BEVs procured by the Postal Service begin to retire, recycling methods will be even more advanced and scaled to recycle old batteries with maximum material recovery and minimum impact. Even so, the infrastructure exists today in the U.S. to ensure old batteries are handled safely and recycled efficiently so that their materials can be reused.

Additionally, as BEVs age, their emissions will decline further as they plug into an increasingly clean electric system. For example, the U.S. Energy Information Administration’s short term energy outlook forecasts increasing percentages of electricity generation coming from renewable sources, mainly due to increasing solar capacity expansions.¹⁴ In contrast, emissions from any combustion engine vehicles procured by the agency will grow as their emission control systems degrade and deteriorate over time.

¹⁰ Draft EIS, 4-36

¹¹ Redwood Materials, Recycling, Refining, and Remanufacturing Battery Materials for a Clean Energy Future, Redwood Materials, <https://www.redwoodmaterials.com/solutions/> Li-Cycle, Full-Service Solution for Recycling Lithium-ion Batteries, <https://li-cycle.com/services/#closed-loop-battery-resource-recovery>

¹² “DOE Invests \$2 Million to Advance Li-Ion Battery Recycling and Remanufacturing Technologies.” Advanced Materials & Manufacturing Technologies Office, June 7, 2023. <https://www.energy.gov/eere/ammto/articles/doe-invests-2-million-advance-li-ion-battery-recycling-and-remanufacturing>

¹³ “Biden-Harris Administration Announces \$192 Million to Advance Battery Recycling Technology,” Department of Energy, June 12, 2023. <https://www.energy.gov/articles/biden-harris-administration-announces-192-million-advance-battery-recycling-technology>

¹⁴ “Short-Term Energy Outlook.” U.S. Energy Information Administration (EIA), August 9, 2022. <https://www.eia.gov/outlooks/steo/report/electricity.php>

Principle 2: Leading by Example on Environmental Excellence and Stewardship

Another principle in the agency's sustainability report is to lead by example on environmental excellence and stewardship among federal entities. One key way the Postal Service can do this is to fully leverage its funds for electrification and the agency's funds for fleet replacement to maximize the percentage of the fleet that is electrified by purchasing an increased percentage of BEVs. Given the incredibly large size of the agency's fleet, the Postal Service having an increased commitment to fleet electrification can drive significant change in the national transportation landscape too. For example, larger-scale procurement of EVs can drive changes in market conditions to create a more robust market for these vehicles. Additionally, doing so further incentivizes manufacturers to invest in BEV production, research, and development – which hits on another of the agency's sustainability principles to invest in new vehicles and technology that champion sustainable and environmentally focused solutions, like BEVs.

C. Legal Requirements Under NEPA

The National Environmental Policy Act (NEPA) announced “the continuing policy of the Federal Government . . . to use all practicable means and measures, including financial and technical assistance, in a manner calculated to foster and promote the general welfare, to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations of Americans.”¹⁵ The law's “twin aims” are to require agencies to “consider every significant aspect of the environmental impact of a proposed action” and to inform the public of these environmental impacts.¹⁶ Agencies must comply with NEPA by producing, for any “major Federal action[] significantly affecting the quality of the human environment,” a “detailed statement” concerning the “environmental effects of the proposed agency action.”¹⁷

The purpose of such an environmental impact statement “is to ensure agencies consider the environmental impacts of their actions in decision making.”¹⁸ It must include a “detailed statement” of environmental impacts of the proposed action, alternatives to the proposed action, adverse environmental impacts that cannot be avoided should the proposal be implemented, and any irretrievable commitments of resources.¹⁹ The EIS must “present the environmental impacts of the proposed action and the alternatives.”²⁰ The agency must “[e]valuate reasonable alternatives to the proposed action,” “briefly discuss the reasons for [the] elimination” of any alternatives eliminated from detailed study, and “[d]iscuss each alternative considered in detail, including the proposed action, so that reviewers may evaluate their comparative merits.”²¹ The EIS must include an analysis of “environmental consequences” that “forms the scientific and

¹⁵ 42 U.S.C. § 4331(a).

¹⁶ *Balt. Gas & Elec. Co. v. NRDC*, 462 U.S. 87, 97 (1983) (quotation marks omitted).

¹⁷ 42 U.S.C. § 4332(2)(C).

¹⁸ 40 C.F.R. § 1502.1.

¹⁹ *See* 42 U.S.C. § 4332(2)(C).

²⁰ *Id.* § 1502.14.

²¹ *Id.*

analytic basis for the comparisons” for the alternatives analysis.²² In preparing this analysis, agencies must “use . . . reliable existing data and resources” and “identify any methodologies used and shall make explicit reference to the scientific and other sources relied upon for conclusions in the statement.”²³

The Postal Service has promulgated regulations implementing NEPA.²⁴ Those regulations declare that the alternatives analysis is “vitaly important.”²⁵ The alternatives and their impacts should be “presented in comparative form, thus sharply defining the issues and providing a clear basis for choosing alternatives.”²⁶ To compare alternatives, the EIS “must” “[e]xplore and evaluate all reasonable alternatives, including the ‘no action’ alternative, and briefly discuss the reasons for eliminating any alternatives” and “[d]evote substantial treatment to each alternative considered in detail, including the proposed action, so that reviewers may evaluate their comparative merits.”²⁷

II. Electric Vehicles Must be Maximized in the Postal Service’s Fleet

A. Electric Vehicle Market Growth Through 2026

Although the Postal Service has committed to 100 percent BEV acquisitions after 2026, the SEIS focuses on the challenges of near-term electrification. As such, in order to assess the feasibility of a more rapid Postal Service transition to an all-BEV fleet, it is critical to first review the projected growth in vehicle model availability and the domestic capacity to manufacture such vehicles. The United States is in the midst of a domestic manufacturing renaissance due in part to BEV incentives in the Inflation Reduction Act (IRA) and the Bipartisan Infrastructure Law (BIL).

Research from the Environmental Defense Fund (EDF) illustrates the rapid growth in BEV manufacturing capacity over the next three years. EDF found that because of the IRA and BIL investments and Jobs Act, electric vehicle manufacturing capacity through 2026 will expand substantially. Figure II. A-1 below demonstrates that by 2026, 4.3 million BEVs are projected to be produced before the time of the Postal Service’s commitment to 100 percent BEV acquisitions. For reference, that equals about one-third of all new vehicles sold in the U.S. in 2022.²⁸

²² *Id.* § 1502.16(a).

²³ *Id.* § 1502.23.

²⁴ *See* 39 C.F.R. pt. 775.

²⁵ *Id.* § 775.11(c)(5).

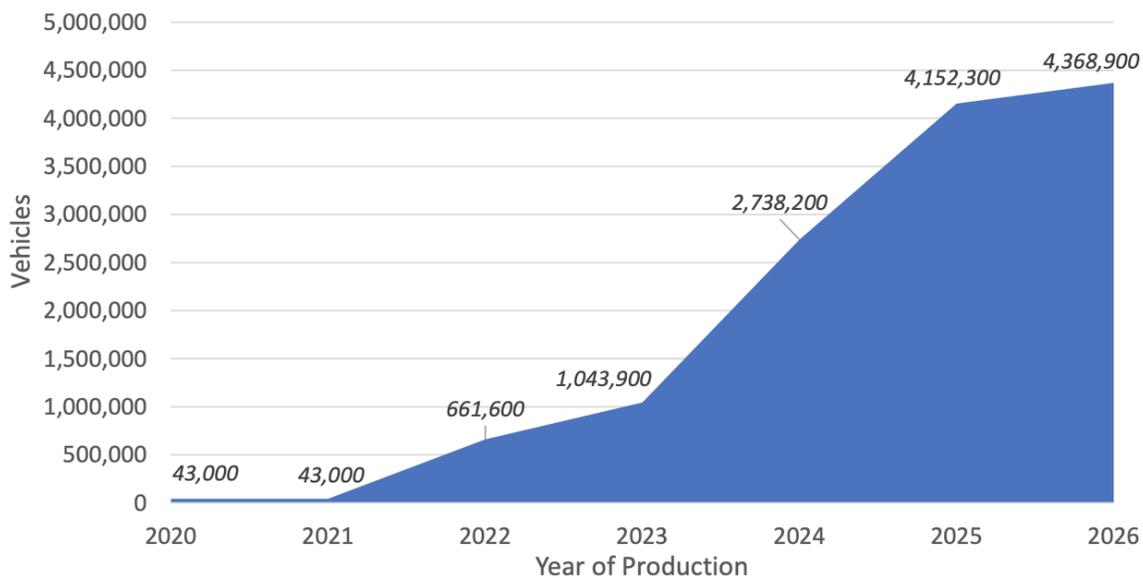
²⁶ *Id.*

²⁷ *Id.* § 775.11(c)(5)(i)-(ii).

²⁸ “Report Finds Investments in U.S. Electric Vehicle Manufacturing Reach \$120 Billion, Create 143,000 New Jobs,” Environmental Defense Fund, (March 14, 2023)

<https://www.edf.org/media/report-finds-investments-us-electric-vehicle-manufacturing-reach-120-billion-create-143000>

Figure II. A-1. Estimated BEV Manufacturing Capacity Following Passage of the IRA and BIL 2020-2026.²⁹



With ambitious electrification goals, OEMs are investing heavily in domestic BEV manufacturing. BEVs are already being produced domestically. In the first quarter of 2023, American factories produced 39 percent more BEVs than the same period the year before.³⁰ The Postal Service’s argument that near-term electrification is infeasible does not reflect the impending market reality of BEV production through 2026.

As referenced previously, the market for zero-emission commercial vehicles is expanding rapidly with availability up around 30 percent in the past three model years.³¹ Globally, the most robust model-availability growth comes from zero-emission cargo vans and heavy-duty trucks, growing 56 percent and 87 percent year-over-year respectively between 2021 and 2022.³² Today there are at least fourteen heavy-duty Class 7 and Class 8 electric trucks and an additional eight electric heavy-duty yard tractors on the market in the U.S. Complimentary state and federal policies that drive emissions reductions, incentives from the BIL and IRA, and acceleration of corporate sustainability commitments can be expected to drive rapid, continued growth in new model availability over the 2024-2026 time frame including models that meet the diverse needs of the Postal Service fleet.

²⁹“Report Finds Investments in U.S. Electric Vehicle Manufacturing Reach \$120 Billion, Create 143,000 New Jobs,” Environmental Defense Fund, (March 14, 2023) <https://www.edf.org/media/report-finds-investments-us-electric-vehicle-manufacturing-reach-120-billion-create-143000>

³⁰ “Five New EV Models Drive Up North American Factory Production,” Bloomberg, (May 10, 2023) <https://www.bloomberg.com/news/articles/2023-05-10/five-new-ev-models-drive-up-north-american-factory-production#xj4y7vzkg>

³¹ *Id.* at footnote 5

³² CALSTART. “Zeroing in on Electric School Buses.” (October 2022) Retrieved from: https://globaldrivetozero.org/site/wp-content/uploads/2022/10/ZE_TruckBus_update.pdf

B. The Postal Service’s Minimum Electrification Commitment Must be Greater

The Postal Service manages one of the largest civilian fleets in the world and the agency’s fleet has a use case that is well suited to electrification, since these vehicles drive predictable distances and regularly return to central depots for long period of time where they can recharge. Accordingly, maximizing the number of BEVs in the Postal Service’s fleet can provide significant benefits for public health and the environment, in addition to delivering significant cost savings for the agency’s budget. Failure to do this will lock in decades of fossil fuel vehicles operating in communities across the nation, resulting in higher maintenance and fuel costs, worse air quality, and increased climate impacts.

The Postal Service Must Consider Alternatives Greater than It Proposed

While it is a positive start that the agency is considering electrification commitments of 62 percent – after only a 10 percent minimum BEV commitment in the original Record of Decision and then a 50 percent minimum BEV commitment in last year’s SEIS Notice of Intent – the Postal Service Inspector General’s report estimates that BEVs have sufficient range for over 90 percent of Postal Service delivery routes. Additionally, the Postal Service noted in the draft SEIS that around 90 percent of all routes could be serviced by electric vehicles. The agency’s procurement plans should better reflect these levels of electrification.

In the draft SEIS, the Postal Services suggests several reasons for not choosing a 100 percent electrification alternative, however, they do not make a reasonable case for not analyzing a 90 percent zero-emitting fleet or an alternative that more accurately reflects a scenario that maximizes electric delivery vehicle deployment. Given the Postal Service’s claim of route feasibility, the significant lifetime savings afforded by BEV delivery vehicles, and the nearly five-fold increase in North American electric vehicle battery manufacturing currently planned by 2025, we believe that such an alternative is decidedly appropriate for analysis.³³

A comprehensive environmental analysis by the agency would have analyzed this alternative, and the agency’s failure to do this more comprehensive review is disappointing and allows for a final procurement scenario that leaves additional cost savings and environmental benefits on the table. As such, it is important that the Postal Service include such an analysis in their final SEIS.

The agency also evaluates a “no action” alternative, which would involve proceeding with the existing procurement plan under the agency’s Record of Decision. This “no action” alternative should not even be considered, as the agency has demonstrated in the draft SEIS that going with this alternative would be insufficient.

³³ “Assessment of Light-duty Plug-in Electric Vehicles in the United States, 2010-2021,” Argonne National Laboratory, November 2022, <https://publications.anl.gov/anlpubs/2022/11/178584.pdf>

The Draft SEIS Shows the Postal Service Can Afford a Minimum Commitment of 82% BEVs

The draft SEIS includes a vehicle purchasing schedule for two alternatives that involves a reduction in the total number of vehicles proposed for purchase to a mix of 106,480 NGDV and commercial off the shelf (COTS) vehicles and results in a minimum commitment of 62 percent of these vehicles being BEVs over a period of six to eight years.

One additional alternative the agency should consider would be to combine the purchasing schedules from the two alternatives in such a way that the overall BEV percentage is increased without exceeding the number of EVs available from any one source and maintaining a faster replacement schedule than Alternative 2. Doing so would not require the production of any additional BEVs beyond what is already projected to be possible in the agency’s draft SEIS.

This combined alternative (Table II. B-1) would be comprised of the left hand drive (LHD) COTS BEV purchase schedule from Alternative 1³⁴ and the BEV NGDV purchase schedule from Alternative 2³⁵ and would result in 21,230 more vehicles being electrified, raising the minimum BEV commitment from 62 percent to 82 percent.

Table II. B-1. Combined Alternative Hypothetical Purchase Plan (82% EVs)

		BEV NGDV	ICEV NGDV	RHD COTS ICEV	LHD COTS ICEV	LHD COTS BEV	Total Vehicles Replaced	Cumulative Replaced
Year 1	2023	0	0	2,433	0	0	2,433	2,433
Year 2	2024	76	1,011	12,067	3,509	7,200	23,863	26,296
Year 3	2025	1,247	0	0	0	2,050	3,297	29,593
Year 4	2026	13,504	0	0	0	11,980	25,484	55,077
Year 5	2027	20,173	0	0	0	0	20,173	75,250
Year 6	2028	10,000	0	0	0	0	10,000	85,250
Year 7	2029	10,000	0	0	0	0	10,000	95,250
Year 8	2030	11,230	0	0	0	0	11,230	106,480
SUM		66,230	1,011	14,500	3,509	21,230	106,480	106,480

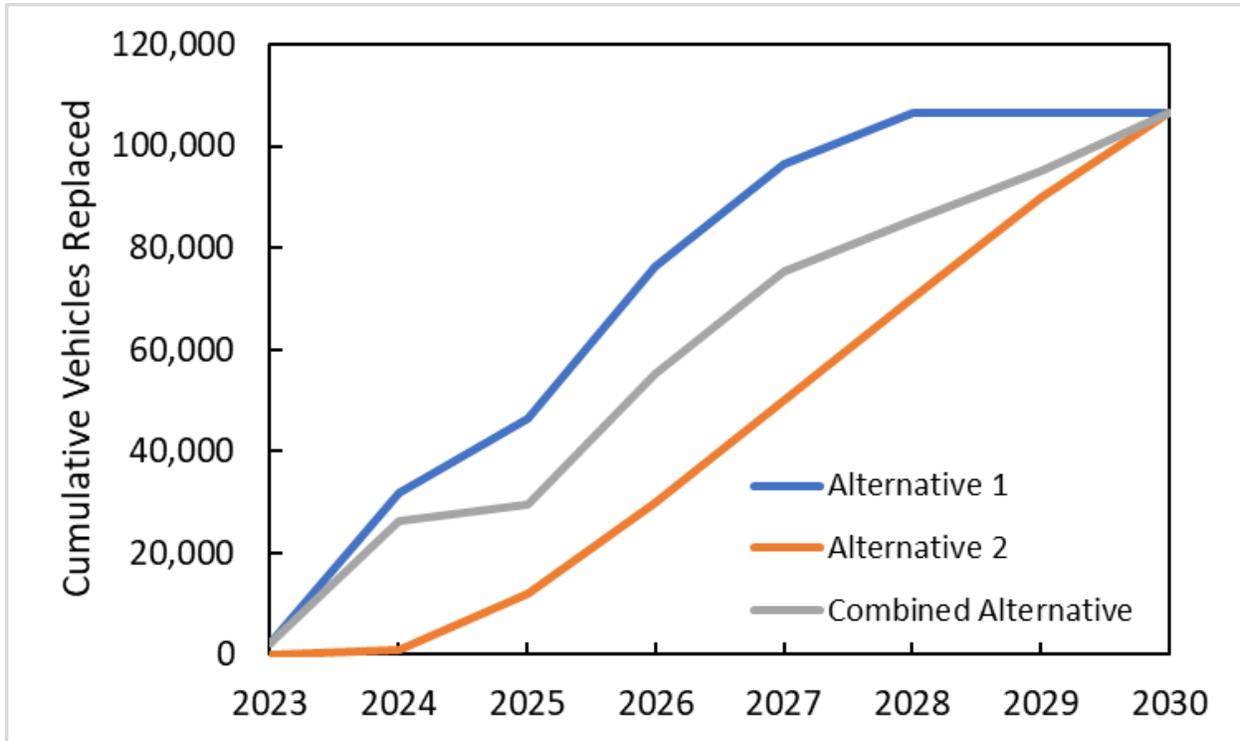
The cells in blue represent the proposed procurement levels from Alternative 1 and the cells in orange represent the proposed procurement levels from Alternative 2 as seen in the SEIS.

³⁴ Draft SEIS at C-2. Table C-1. Hypothetical Vehicle Purchase and Replacement Plan– Alternative 1.

³⁵ Draft SEIS at C-2. Table C-2. Hypothetical Vehicle Purchase and Replacement Plan– Alternative 2.

The combined alternative would also involve a slower replacement rate for vehicles than would occur in the agency’s preferred approach (Alternative 1), but this is faster than the Alternative 2 proposal and allows for a reduction in the number of ICEVs purchased without increasing the number of BEVs from any source beyond what the agency has already indicated is possible in the draft SEIS. This is depicted in the figure below.

Figure II. B-1. Comparison of Vehicle Purchase Schedules



III. The Postal Service Must Reevaluate Key Assumptions

A. Total Cost of Ownership

Previously, the Postal Service sought to demonstrate the cost differential between combustion engine NGDVs and BEV NGDVs through a faulty and opaque Total Cost of Ownership (TCO) analysis. This analysis used inflated and obsolete data to conclude that its original “preferred alternative” of procuring 90 percent gas guzzling vehicles was the more favorable option. Instead of correcting that TCO analysis by including more accurate inputs (such as more accurate data for estimated gasoline costs, battery costs, maintenance costs etc.) and by using more appropriate charger-to-vehicle ratios (as suggested by the OIG and U.S. Government Accountability Office reports), the agency instead opts to use upfront acquisition costs to inform the percentage of BEV and combustion engine vehicles in the procurement strategy for the

alternative proposals. The Postal Service should reverse course and make these decisions using TCO to compare BEVs and combustion engine vehicles.

A Total Cost of Ownership Analysis is More Comprehensive

Using upfront acquisition costs, rather than TCO, significantly underestimates the monetary benefits of BEVs^{36, 37} compared to combustion engine vehicles, and greatly misrepresents the long-term implications of this agency action – especially the climate and public health damages associated with the continued use of fossil fuel-powered vehicles.

A TCO analysis would offer a more comprehensive view of the financial implications of choosing between BEVs and combustion engine vehicles and will allow the Postal Service to fully examine metrics related to vehicle performance, fuel consumption, and maintenance costs, especially since BEV cost savings are strongly influenced by the number of operational years.

While in some cases the upfront costs associated with BEVs may be higher than combustion engine vehicles, the savings in BEV operating costs over the lifetime of the vehicle make these vehicles a more cost-effective and sustainable choice for the Postal Service's operations in the long run. This is due to BEVs having more efficient powertrains, lower costs for refueling and increased fuel price stability, as well as increased uptime due to fewer maintenance and repair needs for the overall fleet. Since electric powertrains are both more fuel efficient and less complex than combustion engine powertrains, this increased efficiency means that EVs cost less to fuel and the decrease in complexity means they cost less to maintain. This is a factor that is not appropriately considered when only upfront acquisition costs are evaluated, rather than TCO. In fact, research from Atlas Public Policy has shown that electrifying approximately 97 percent of the Postal Service fleet could yield some \$4.3 billion in savings and that by 2030, the vast majority of all federal fleet vehicles – for Postal Service and non-Postal Service vehicles – will be cost competitive to combustion engine vehicles on TCO basis.³⁸ This is depicted in the figure below.

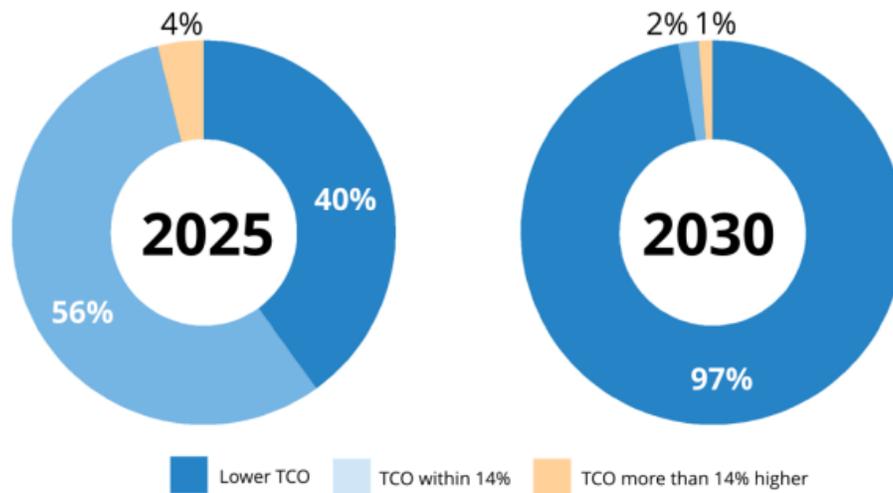
³⁶ "Next Generation Delivery Vehicles - Environmental Impact Statement Audit Report." United States Postal Service Office of Inspector General (OIG). April 6, 2023.

<https://www.uspsoidg.gov/reports/audit-reports/next-generation-delivery-vehicles-environmental-impact-statement>

³⁷ "Report to Congressional Requestors, U.S. Postal Service, Action Needed to Improve Credibility of Cost Assumptions for Next Generation Delivery Vehicles." United States Government Accountability Office. April 2023. <https://www.gao.gov/products/gao-23-106677>

³⁸ Di Filippo, James, Nick Nigro, and Charles Satterfield. Rep. Federal Fleet Electrification Assessment. Washington, D.C.: Atlas Public Policy, 2021. <https://atlaspolicy.com/federal-fleet-electrification-assessment/>

Figure III. A-1: Comparison of TCO for Non-Postal Service Federal Fleet Vehicles



Atlas analysis of Dashboard for Rapid Vehicle Electrification (DRVE) tool outputs for non-USPS Federal fleet electric vehicle TCO performance compared to conventional vehicles in 2025 and 2030.

Additionally, a report by the International Council on Clean Transportation shows that electric drive systems – including the transmission, motor, and inverter – are forecasted to see cost reductions of over 60 percent by 2030, reaching \$23/kW. This report also found that upfront cost parity between electric trucks and their diesel counterparts is expected to be achieved in the late 2020s or early 2030s for most truck segments.³⁹

The agency's assumptions for charging or EV Supply Equipment (EVSE) costs are also unnecessarily high by requiring that each vehicle have its own charger, rather than allowing two or more vehicles to share a charger. Given that the ranges of the Ford E-Transit COTS vehicle and other existing delivery vans are over 100 miles per charge and that the Postal Service's average route length is around 24 miles, charging every vehicle every day is unnecessary. Using a higher ratio of vehicles to chargers will reduce the total cost of ownership of BEVs compared to their combustion engine counterparts. We provide recommendations to improve charging assumptions later in these comments.

Further, the vehicle specifications listed in the SEIS for the NGDVs and COTS vehicles the agency seeks to procure assume the use of nickel-manganese-cobalt (NMC) batteries, which are more expensive than lithium-ferro-phosphate (LFP) and are much less suited to Postal Service's presented use case and priorities. Switching to procuring vehicles with LFP batteries would not only reduce upfront costs, but would also provide the agency with a battery chemistry that is better suited to Postal Service's needs. Many of the points raised in this section are also explored in more detail throughout these comments.

³⁹ Xie, Yihao, Hussein Basma, and Felipe Rodriguez. "Purchase costs of zero-emission trucks in the United States to meet future Phase 3 GHG standards." International Council on Clean Transportation, 2023. <https://theicct.org/wp-content/uploads/2023/03/cost-zero-emission-trucks-us-phase-3-mar23.pdf>

Utility Rates Designed for EV Charging Can Increase Savings

Gasoline, diesel, and electricity prices vary across the country, and electricity prices vary depending upon the particular characteristics of the utility rate on which a customer takes service. And many existing commercial and industrial utility rates have “demand charges” that can reduce fuel cost savings for some EV charging use-cases. Thankfully, the challenge such demand charges can pose for EV charging has long been recognized and across the nation, many utilities and regulators have already implemented solutions or are in the process of doing so. These are solutions that will increasingly benefit the Postal Service’s operations, especially if the agency maximizes the amount of electric vehicles in its procurement plan.

In fact, the Bipartisan Infrastructure Law (BIL) amended the Public Utility Regulatory Policies Act (PURPA) Section 111(d) to require regulators and non-regulated utilities to consider new rates that:

*...promote affordable and equitable electric vehicle charging options for residential, commercial, and public electric vehicle charging infrastructure; improve the customer experience associated with electric vehicle charging; accelerate third-party investment in electric vehicle charging for light-, medium-, and heavy-duty vehicles; and appropriately recover the marginal costs of delivering electricity to electric vehicles and electric vehicle charging infrastructure.*⁴⁰

While this law has spurred new regulatory proceedings across the country, many utilities, regulators, and state legislatures were already acting to address this issue before the BIL became law.

As detailed in a publication of the National Association of Regulatory Utility Commissioners (NARUC) entitled “Best Practices for Sustainable Commercial EV Rates and PURPA 111(d) Implementation,” rates designed for EV charging can deliver significant fuel cost savings without relying upon cross-subsidies from other utility customers.⁴¹ For example, on a new Pacific Gas & Electric rate designed for commercial EV charging that still recovers all associated marginal costs, the San Joaquin Regional Transit District reduced its overall fuel cost per mile from \$2.31 to \$0.68 (in a utility service territory that has some of the higher underlying marginal costs in the nation).⁴² The paper also details rates that take a similar approach that were approved for Southern California Edison, San Diego Gas & Electric, and Alabama Power. Since the publication of that NARUC paper, many other utilities and regulators have either proposed or secured approval of new rates designed for EV charging and many more are expected to follow suit over the coming decade.

⁴⁰ H.R.3684. Infrastructure Investment and Jobs Act. 117th Congress. (2021-2022). Section 40431

[www.congress.gov/bill/117th-congress/house-bill/3684/text](https://www.congress.gov/bills/117/house-bills/3684/text)

⁴¹ Nancy Ryan, Alissa Burger, Jenifer Bosco, John Howat, and Miles Muller. Best Practices for Sustainable Commercial EV Rates and PURPA 111(d) Implementation. (2022).

<https://pubs.naruc.org/pub/55C47758-1866-DAAC-99FB-FFA9E6574C2B>

⁴² *Id.*

Appropriate Methodology and Data Inputs for BEV NGDV/COTS TCO Analysis

When planning a TCO analysis for the Final SEIS, the Postal Service should undertake a comprehensive literature review of similar studies in order to ascertain the best methodologies and data inputs. The analysis should be structured based on rigorous methods in existing literature and conducted in a manner that leads to logical, repeatable, and independent conclusions. To date, many reliable studies on lifetime costs of electric commercial vehicles have been published by government agencies, think tanks, businesses, and academics alike.^{43,44,45}

Where the original EIS for the NGDV estimated fuel costs between \$2.19 and \$2.55 per gallon of gasoline through 2040, the TCO analysis for the final SEIS should include reliable data inputs related to fuel. The California Air Resources Board published a draft study in 2021 that used both California Energy Commission and U.S. Energy Information Administration fuel price forecasts beyond 2030 and found 2040 gasoline prices to around \$4.50 per gallon.⁴⁶ While we recognize that California is likely to remain a most costly market for gasoline, using more conservative estimates for gasoline prices is in keeping with the Postal Service's other conservative estimates in the draft SEIS and likely more representative of fuel prices in urban areas. Additionally, it is likely that the Postal Service may focus initial deployment of BEV delivery vehicles in California in order to satisfy fleet electrification requirements under California's Advanced Clean Fleets rule.⁴⁷

In addition to more realistic fuel costs, we recommend that the TCO analysis include potential revenue generated under Low Carbon Fuel Standards by fleets located in states with such programs.

The Postal Service Should Collaborate with Dept. of Treasury on IRA Incentives

The Postal Service has frequently cited additional funding through the Inflation Reduction Act (IRA) as one of several primary reasons for expanded BEV deployment.⁴⁸ Although the IRA clearly directs around \$3 billion in funding to the Postal Service for fleet electrification, it may also be possible for the Postal Service to take advantage of other IRA incentives including those for the purchase of clean commercial vehicles and installation of EVSE under tax code section

⁴³ "Total Cost of Ownership of Alternative Powertrain Technologies for Class 8 Long-Haul Trucks in the United States." The International Council on Clean Transportation. April 27, 2023.

<https://theicct.org/wp-content/uploads/2023/04/tco-alt-powertrain-long-haul-trucks-us-apr23.pdf>

⁴⁴ "Electrifying Last-Mile Delivery: A total cost of ownership comparison of battery-electric and diesel trucks in Europe." The International Council on Clean Transportation. June 2022.

<https://theicct.org/wp-content/uploads/2022/06/tco-battery-diesel-delivery-trucks-jun2022.pdf>

⁴⁵ "Spatial and Temporal Analysis of the Total Cost of Ownership for Class 8 Tractors and Class 4 Parcel Delivery Trucks," National Renewable Energy Laboratory, 2021, <https://www.nrel.gov/docs/fy21osti/71796.pdf>

⁴⁶ "Draft Advanced Clean Fleets Total Cost of Ownership Discussion Document." California Air Resources Board. September 9, 2021. https://ww2.arb.ca.gov/sites/default/files/2021-08/210909costdoc_ADA.pdf

⁴⁷ Title 13 California Code of Regulation, Section 2015. "Advanced Clean Fleets Regulation." Adopted April 28, 2023. <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets>

⁴⁸ "USPS Intends to Deploy Over 66,000 Electric Vehicles by 2026, Making One of the Largest Electric Vehicle Fleets in the Nation," USPS News, <https://about.usps.com/newsroom/national-releases/2022/1220-usps-intends-to-deploy-over-66000-electric-vehicles-by-2028.htm>

45W and 30C, respectively. If entities like the Postal Service are ultimately deemed eligible to access these incentives, they could help to further the Postal Service's commitment to electrification by reducing upfront expenditures for vehicle purchases and EVSE installation.

Final guidance around these tax credits for non-profit and government fleets is forthcoming. However, in January 2023, the U.S. Government Services Administration (GSA) emailed a memo, titled "EV TAX CREDIT MEMO," to GSA Fleet suppliers of electric vehicles that stated IRA incentives were available to both "commercial customers and government fleets."⁴⁹ This memo assumed that federal fleets would be eligible for the IRA incentives mentioned above, signaling that the Postal Service may also be eligible.

The U.S. Department of the Treasury (Treasury) and the Internal Revenue Service (IRS) are currently engaged in rulemaking to finalize the guidance on IRA incentives for non-profit and government fleets.⁵⁰ We strongly encourage the Postal Service to engage proactively with the Treasury and the IRS to ensure that every opportunity to reduce upfront costs for BEVs is understood and taken advantage of.

B. Battery Range and Chemistry

The Postal Service assumed a range of 70 miles for vehicles that travel less than 35 miles daily and that these vehicles will be charged every day to 100 percent. Yet, the agency also assumed that their vehicles would use nickel-manganese-cobalt (NMC) batteries, but this chemistry is much less suited to the presented use case and priorities than lithium-ferro-phosphate (LFP) batteries. Lithium-ion batteries with an NMC cathode are good at delivering higher ranges with less weight (energy density), but they are more expensive and lose capacity faster than LFP (see the graph below).

Since the Postal Service only wants 70 miles of range – much less than the range of similar BEVs on the market currently – and plan to use and charge their vehicles daily, LFP is a much more suited option for multiple reasons. First, the relatively low range necessary (70 miles) means the lower energy density of LFP batteries is not an issue. Second, the low cost is a priority for these vehicles and the LFP battery is less expensive than NMC because it does not include nickel and cobalt. Third, LFP batteries have a much higher cycle life than NMC batteries meaning they can be discharged and recharged much more before their range meaningfully degrades.⁵¹

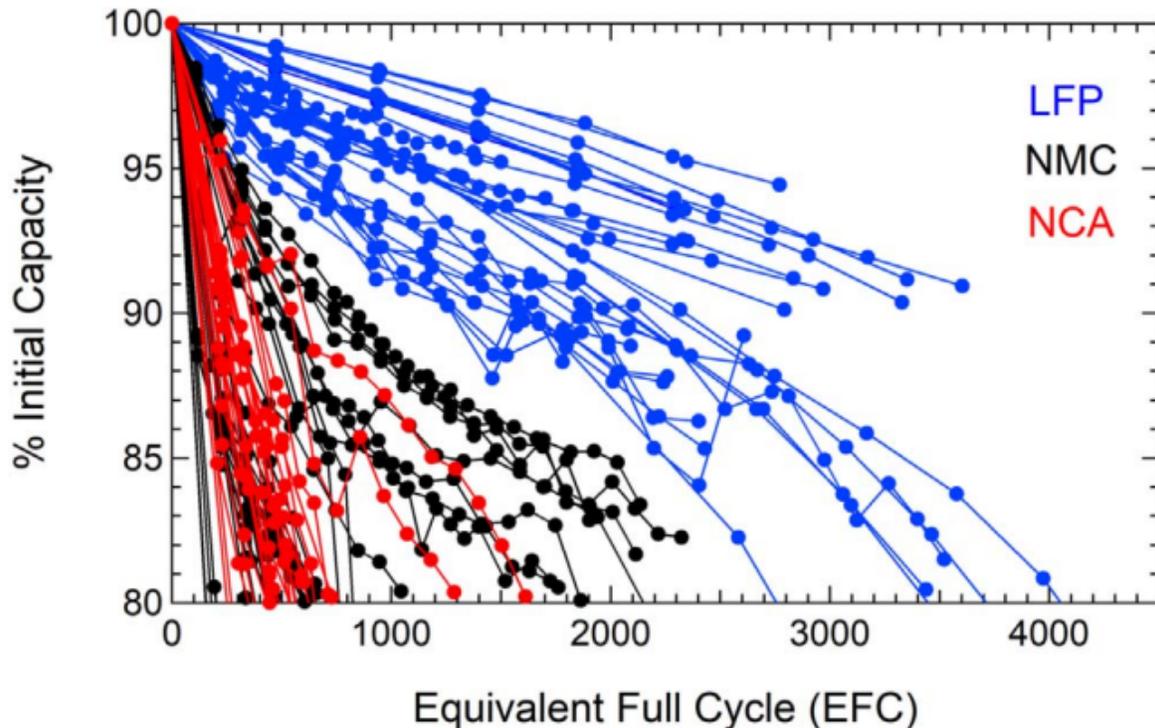
⁴⁹ Email from Leonard Fedoruk, Purchase Director, GSA Fleet, titled "EV TAX CREDIT MEMO." January 3, 2023.

⁵⁰ Section 6417 Elective Payment of Applicable Credits, 88 Fed. Reg. at 40528, to be codified at 26 CFR 1 and 26 CFR 301,

<https://www.federalregister.gov/documents/2023/06/21/2023-12798/section-6417-elective-payment-of-applicable-credits>

⁵¹ Vladimir Karimov, "New Tests Prove: LFP Lithium Batteries Live Longer than NMC," One Charge, March 30, 2021. <https://www.onecharge.biz/blog/lfp-lithium-batteries-live-longer-than-nmc/>

III. B-1: Degradation of Battery Capacity as a Function of Full Cycle Life⁵²



Note: The variation in degradation within each individual battery chemistry are a response to different controlled variables in testing (temperature, depth of discharge, and discharge current)

As an example, Rivian announced earlier this year that they are switching to LFP batteries in their commercial vehicles in order to take advantage of the enhanced durability cycles and cost savings for their customers.⁵³ Amazon vans manufactured by Rivian with LFP batteries are on the streets today using the 150 miles of range – although more is available – to carry packages and make frequent stops to deliver them.⁵⁴ Although the driving patterns of Amazon delivery vans differ from those of the Postal Service, this illustrates that vehicles with LFP batteries are the best choice for the general use case of mail and package delivery.

Further, using LFP instead of NMC batteries in cost calculations will reduce the upfront costs of BEVs, thus allowing the Postal Service to achieve a higher penetration rate of BEVs in their fleet, as was noted earlier in these comments.

Lastly on range assumptions, the Postal Service assumed a range of 77 miles for the Ford E-Transit COTS BEV based on an assumed 70 percent of original capacity guaranteed by the

⁵² Yuliya Preger et al, *Degradation of Commercial Lithium-Ion Cells as a Function of Chemistry and Cycling Conditions*, 2020 J. Electrochem. Soc. 167 120532

⁵³ Rivian, "Q1 2023 Rivian Shareholder Letter," 2023

<https://www.sec.gov/Archives/edgar/data/1874178/000187417823000027/ex-9921q23shareholderletter.htm>

⁵⁴ Joel Feder, "Rivian EDV: All about electric vans for Amazon and beyond," January 3, 2023

https://www.greencarreports.com/news/1138310_rivian-edv-specs

manufacturer warranty.⁵⁵ This is a flawed assumption as the manufacturer warranty is 8 years meaning that it would take at least 8 years, likely more, for the battery to degrade to 70 percent of its original capacity.⁵⁶ In the meantime, the range would be closer to the original 110-mile range thus allowing for longer routes to be served by BEVs as well as less frequent charging thus reducing the number of chargers required per vehicle as is discussed in more detail in the following section.

C. Fleet Charging

The total amount of chargers or electric vehicle supply equipment (EVSE) needed to support this fleet is likely lower than the Postal Service anticipates.⁵⁷ That is because vehicles can share charging stations where the timing and frequency of vehicles' charging needs allow. We are disappointed with the agency's decision to keep to a one-to-one vehicle to EVSE ratio in its procurement plans, especially since this will unnecessarily increase the upfront costs for each of the BEVs procured by several thousand dollars, as the U.S. Government Accountability Office (GAO) notes.⁵⁸

Rather than first waiting for the agency to "gain greater experience with the use, management and deployment of BEVs" before evaluating the use of "charging stations of varying capacities," the Postal Service should instead look to case studies for how large fleets with similar operating patterns are already adopting this technology (such as those explored in these comments) and evaluate this as a part of their route optimization efforts. While there may be federal entities that are leveraging one-to-one EV to EVSE ratios, this is not a one size fits all approach for federal fleets. For example, even the Inspector General's report makes note that the General Services Administration (GSA), the federal agency that leases out the vehicles used most in federal program fleets – although not the Postal Service – has determined that agencies do not need a one-to-one EV to EVSE ratio for vehicles that do not require a full charge every night.

The Postal Service anticipates the daily battery discharge of between 17 and 29 percent for the BEV NGDV and 27 to 45 percent for BEV COTS.⁵⁹ Furthermore, we understand these estimates to be based on degraded vehicle range after 10 years of service.⁶⁰ With typical urban routes of around 21 miles and typical rural routes around 38 miles (and nearly all of these routes are less than 70 miles), the Postal Service would only need to plug a portion of the fleet in each night to ensure its fleet has vehicles charged and capable of supporting the mission.^{61,62}

⁵⁵ Draft SEIS at 3-6. Table 3-3.2. COTS Vehicle Specifications

⁵⁶ FordPro, "Cargo Van," "Vehicle Highlights,"

<https://www.fordpro.com/en-us/fleet-vehicles/e-transit/cargo-van?intcmp=fpro-ettrans-gbc-2023CargoVan-ViewDetails>

⁵⁷ Technically speaking, the "charger" when charging on AC power is actually on-board the vehicle. The equipment used to feed AC electricity to the vehicle is technically an electric vehicle or supply equipment, or EVSE for short.

⁵⁸ USPS Draft SEIS at B-307

⁵⁹ USPS Draft SEIS at 4-34

⁶⁰ USPS Draft SEIS at 4-36

⁶¹ USPS Draft SEIS at F-6

⁶² "Electric Delivery Vehicles and the Postal Service." United States Postal Service Office of Inspector General. March 17, 2022. P. 11

While we agree with the Postal Service's requirement for the NGDV to possess the capability to fully recharge within eight hours, such a requirement in practice may not be necessary for all routes and vehicles. Delivery vehicles servicing shorter routes may be able to charge using slower, but more affordable Level 1 chargers.⁶³ For example, a NGDV with a 94 kWh battery servicing a 10 mile route could charge from 65 percent to well over 80 percent overnight using a 1.65 kW Level 1 charger. A 2022 OIG report also suggested that Level 1 chargers be considered as they may be suitable for some routes and could significantly reduce BEV TCO.⁶⁴ Additionally, planning for the deployment of Level 1 chargers for shorter routes may allow for accelerated deployment of BEVs at Candidate Sites located in dense urban neighborhoods – particularly those in communities experiencing environmental injustices. The final SEIS should include assumptions around charging frequency and duration that more accurately reflect the Postal Service's battery longevity goals (70 miles after 10 years of service) for the BEV fleet and account for additional charging options.

In niche situations where nightly charging may be necessary, charging infrastructure can be designed with different configurations to accommodate this. For example, charging stations are readily available where one station can charge two vehicles simultaneously on one circuit and there are smart charging systems that can dynamically allocate charging capacity based on the vehicles' needs. Even during holiday delivery seasons or for unexpected events, a lower charger-to-vehicle ratio could flexibly support day-to-day operational adjustments.

As noted earlier, procuring a charger for each vehicle unnecessarily drives up the upfront cost assumptions. The agency points to the upfront cost of EVs as a reason for acquiring a larger portion of internal combustion engine vehicles than would be necessary under a more realistic charger scenario. Even the Inspector General's report states that a one-to-one charger-vehicle ratio may be excessive and contrary to how real-world BEV charging would occur for an electrified Postal Service Fleet.⁶⁵

D. Manufacturing Impacts

The Postal Service has a unique opportunity and a social responsibility to ensure that the \$3 billion in federal funding received from the IRA for its electrification efforts is fully leveraged to invest in communities, to create high-quality jobs, and to maximize equity.

Refusing to review the environmental and economic impacts related to the production of the NGDVs – impacts which only exist due to the agency's decision to move forward with the Oshkosh Defense ("Oshkosh") contract – the agency fails to ensure maximum benefit for the federal dollars invested in this effort. Additionally, doing so ignores key factors that are vital for understanding the true environmental and economic impacts of this procurement related action and unduly limits the alternatives available to the Postal Service under this SEIS.

⁶³ USPS Draft SEIS, Table 3-3.1

⁶⁴ "Electric Delivery Vehicles and the Postal Service." United States Postal Service Office of Inspector General. March 17, 2022.

⁶⁵ *Id.*

This is especially true in the case of the contract awarded to Oshkosh defense for the manufacturing of the NGDVs, which was based on an unlawfully deficient environmental analysis issued after the Postal Service had already decided on a course of action.

The Postal Service asserts in the draft SEIS that the agency “has no control or responsibility over the location or manner of vehicle or part production, or detailed information about supplier operations.”⁶⁶ This is not true. The agency has admitted that it did not require Oshkosh to identify where the NGDVs would be built, but had the agency required the contract bids to include this information, it would have been able to make a fully informed decision that more comprehensively characterized the socioeconomic and environmental impacts related to awarding this contract to Oshkosh. Additionally, the Postal Service has a social responsibility to understand to the best of its ability the broader consequences of the agency’s actions and make decisions that account for that in order to minimize adverse effects on impacted communities and workers – such as the union workers in Oshkosh, Wisconsin.

IV. Emissions Analysis

A. Benefits of Tracking Fleetwide Fossil Fuel Use

The Postal Service should optimize its operations for maximum reduction of fleetwide fossil fuel use.

The SEIS states that the Postal Service delivery fleet consumed 189 million gallons of gasoline in FY 2022 for delivery operations. It projects that the delivery vehicles proposed for replacement consume between 83-89 million gallons of gasoline per year, or roughly 45 percent of all of the Postal Service’s gasoline. Given that the Postal Service proposes replacing 62 percent of its vehicles with BEVs under Alternative 1, and projects gasoline reduction around 45 percent, there is significant opportunity to further reduce fossil fuel use by optimizing its vehicle assignments for gasoline reduction.

Fleet optimization to reduce fossil fuel use will require the Postal Service to set specific targets for reducing gasoline consumption, track the fuel use of every route, and prioritize the prompt replacement with BEVs on those routes that use the most fuel. These fleet optimization plans should require its major facilities to develop a detailed and comprehensive fuel use plan with specific fuel quotas and reduction requirements. The agency should publish, track, and optimize for a set of fuel use metrics, including total gallons used, gallons per mile of Postal Service route and gallons per letter and parcel delivered.

⁶⁶ USPS Draft SEIS at 1-3.

V. Conclusion

The agency can and must go further than it has proposed. Adopting the recommendations set forth in this comment letter would result in a feasible, cost-beneficial procurement plan that would better serve the needs of the agency and the communities served.

Respectfully submitted,

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