



February 12, 2022

Mr. Louis DeJoy
Postmaster General
United States Postal Service
475 L'Enfant Plaza SW
Room 10300
Washington, DC 20260

Mr. Roman Martinez IV
Chair
United States Postal Service
Board of Governors
475 L'Enfant Plaza SW
Washington, D.C. 20260

Re: USPS's Next Generation Delivery Vehicle Acquisition

Dear Postmaster General DeJoy and Chairman Martinez:

The Zero Emission Transportation Association (ZETA) is an industry-backed coalition of 65 member companies advocating for 100% electric vehicle (EV) sales by 2030. We respectfully ask the United States Postal Service (USPS) Board of Governors to halt the federal procurement process of next-generation delivery vehicles (NGDVs) until the myriad problems and defects in USPS's final environmental impact statement (EIS) are resolved. Under the National Environmental Policy Act (NEPA), federal agencies *must* consider potential public health and environmental effects *before* a major decision is made. The final EIS is not only littered with inaccuracies, but it fails to meet that NEPA standard, and Americans' health will be actively harmed if USPS's plan moves forward.

As you know, the recently released final EIS determines that USPS should procure a 90% internal combustion engine vehicle (ICEV) fleet. To reach this conclusion, USPS contorts its modeling and data in order to weave a false narrative justifying its decision to pursue an overwhelmingly gas-powered fleet.

The USPS's EIS shows a clear bias against battery electric vehicles (BEVs) by excluding data, relying on unrealistic assumptions, and mistaking simple facts. USPS's miscalculations in the EIS are numerous and include:

- 1) underestimating the financial and societal costs of not electrifying its fleet;
- 2) underestimating the technical and functional capabilities of BEVs;
- 3) obscuring the EIS's fundamental models and assumed facts, preventing third parties from analyzing and replicating USPS's analysis.

USPS repeatedly underestimates the costs of maintaining a gas-powered fleet and overestimates the cost of electrification. In fact, fleet electrification will actually deliver marked cost savings directly to USPS, and to the American people via improved air quality and reduced GHG emissions. First, the EIS's cost calculations for BEVs are wildly inconsistent with existing studies. A report released from Atlas Public Policy found that fully electrifying its fleet could save USPS up to \$4.3 billion over the lifetime of the fleet, estimating that 97% of USPS vehicles could be electrified at a lower total cost of ownership than that of comparable gas or diesel trucks by 2025.¹ USPS claims in the EIS, however, that the 20-year

¹ Di Filippo, James; Nigro, Nick; and Satterfield, Charles. "[Federal Fleet Electrification Assessment](#)." February, 2021. Atlas Public Policy.

cumulative cost of procuring 75,000 BEV NGDVs is \$2.3 billion more expensive than that of procuring 75,000 ICEV NGDVs (Table 3-1.2). It relatedly claims that BEV NDGVs would have a “significantly higher total cost of ownership,” primarily due to EV charging infrastructure installation (p. i). This claim is highly concerning for several reasons. First, USPS states that “estimated vehicle acquisition costs were based on NGDV supplier rough order of magnitude cost.” (p. C-3). Yet, Oshkosh Defense—the original equipment manufacturer selected for this contract—is largely untested in the electric vehicle manufacturing space. This per-unit procurement cost would undoubtedly be lower if an established EV manufacturer were to supply USPS with NGDVs. Oshkosh Defense’s per-vehicle cost projections were not disclosed.

While the exact per-vehicle cost is unclear, it is apparent that USPS grossly underestimates the cost of operating ICEVs. USPS deliberately selected a low cost point from which it modeled its gasoline price projections. USPS based its benchmark gasoline cost on the October 12, 2020 national gasoline average, when gasoline cost \$2.19 per gallon (p. B-158). This peak-pandemic gasoline price was nearly a 5-year low, exceeded only by the gasoline price crash in the spring of 2020.² No American can purchase gasoline for \$2.19 per gallon today. This low cost modeling dramatically drives down USPS’s assessments of the long-term costs of fueling its ICEVs. Additionally, it is misleading for USPS to have completed only a 20-year cost of ownership calculation for its NGDV fleet. After all, its current Long Life Vehicle (LLV) fleet vehicles are 27 years old on average (p. 4-2). Because ICEVs are more expensive to maintain, BEVs will be increasingly cost effective compared to ICEVs as the vehicles age. USPS failed to calculate the true lifetime cost of ownership of ICEVs and BEVs.

Relatedly, USPS repeatedly cites that the improved fuel efficiency of the ICEV fleet will generate cost savings. In reality, these ICEVs will have an 8.6–14.7 mpg efficiency—which is lower than the 17 mpg average of the Grumman LLVs currently in service, which were built between 1987 and 1994.³ While USPS inexplicably chose a markedly heavier vehicle than needed, after more than thirty years of technological developments to boost efficiency, it seems unfathomable that this “new” model is not more efficient. Furthermore, reports have indicated that had USPS set its proposed ICEVs’ weight to be one pound lighter, its vehicles would have failed to meet federal emissions standards and thus have been illegal.⁴ USPS’s claim that its ICEV NGDV is “fuel efficient” defies reality and fails to achieve efficiency standards readily available for similar vehicles on the market today.

Similarly, USPS significantly underestimates BEV range, battery size requirements, and the cost of deploying EV charging infrastructure. First, USPS estimates that the reference BEV has a 94 kWh battery pack, but will achieve just 70 miles of range (Table 3-1.3)—which is much lower than that of comparable off-the-shelf models, such as the 2022 Ford E-Transit, which gets 126 miles of range using just a 67 kWh battery.⁵ Nevertheless, a 70-mile range still exceeds the USPS’s 21-mile average route length (p. B-159). And, it is clear that a 94 kWh vehicle of the NGDV’s weight and size should see upward of 200 miles of range, not 70 miles. Because batteries are the most expensive part of a BEV, sourcing a

² “[Gas Price Charts](#),” Gas Buddy.

³ “[1988 Grumman Allied Industries LLV](#).” U.S. Department of Energy.

⁴ Gordon, Aaron. “[The New USPS Trucks Would Probably Be Illegal If They Weighed One Pound Less](#).” February 8, 2022. VICE.

⁵ “[LEADING THE CHARGE: ALL-ELECTRIC FORD E-TRANSIT POWERS THE FUTURE OF BUSINESS WITH NEXT-LEVEL SOFTWARE, SERVICES AND CAPABILITY](#).” November 12, 2020. Ford.

larger-than-needed battery has drastic price impacts. It is worth noting that battery prices are significantly decreasing each year, and these NGDV procurements will occur over the course of the next decade.⁶

USPS's assessment of the cost of EV charging infrastructure is also deeply concerning. Throughout the EIS, USPS asserts that the cost of EV charging infrastructure is a primary barrier to achieving the 100% BEV scenario, but it does not list its cost calculations or assumptions. In fact, the limited data provided by USPS indicates that building out charging infrastructure for 100% electrification would be only slightly more expensive than 10% electrification (p. C-4). USPS states that EV charging deployment would cost just \$2,000 (10%) more per facility on average in the 100% BEV scenario than the 10% BEV scenario. Specifically, EIS states that the "average per-facility BEV charging infrastructure costs ranged from \$18,740 (assuming 10% BEV) to \$20,970 (assuming 100% BEV)." This contradicts USPS's claim that charging infrastructure build-out to satisfy a 100% BEV fleet is cost-prohibitive. Additionally, USPS notes its concern about the cost of upgrading the electrical grid in order to electrify particular routes, but it refuses to take into account the passage of the Infrastructure Investment and Jobs Act, which will facilitate the deployment of EV charging infrastructure and grid modifications nationwide (p. 3-1).

USPS also dismisses the social cost of failing to electrify. USPS acknowledges that the 100% BEV fleet option would release 200% fewer direct and indirect GHG emissions than a 90% ICEV fleet, but it nevertheless rejects electrification, calling it infeasible (p. iii). The USPS's Proposed Action to acquire a 90% ICEV will result in at least 715,000 additional metric tons of GHG pollution compared to the USPS's alternative scenario of acquiring a 100% BEV fleet (B-169). That is equivalent to the annual GHG emissions from 155,531 passenger vehicles, 86,121 homes' energy use, or 790,444,595 pounds of coal burned.⁷ Based on USPS's improper modeling of its ICEVs' emissions, this staggering statistic is likely a severe underestimate, and the true emissions discrepancy could be at least 2.5 times higher, as the Environmental Protection Agency (EPA) notes. The vast increase in emissions will cost Americans nearly \$200 million per year in public health and environmental damages. Over the lifetime of these vehicles, the estimated social cost will reach billions of dollars. As mentioned before, the true social cost is likely far higher.

USPS's EIS is also riddled with inaccuracies about the technical capabilities of BEVs. USPS claims that BEVs are incapable of handling the distance, weather conditions, or charging requirements on up to 12,500 of USPS's 232,000 routes—just 5.4% of total routes. USPS is not replacing 100% of its existing fleet, however; rather, it is replacing 22.9% to 75.6% of its fleet over the next ten years. Therefore, its remaining vehicles could easily cover these routes if they are truly not fit for electrification.

USPS does not provide evidence that these 12,500 routes cannot be driven by BEVs. As discussed above, USPS's benchmark BEV with a 70-mile range, exceeds the USPS's 21-mile average route length more than three times over. USPS also exaggerates the impact of cold temperatures on battery life, providing no analysis or calculations to support its claim.⁸ In fact, it was recently shown once again that BEVs fare quite well in freezing temperatures.⁹ Finally, as discussed previously, USPS fails to take into account the

⁶ "[Battery Pack Prices Fall to an Average of \\$132/kWh, But Rising Commodity Prices Start to Bite.](#)" November 30, 2021. BloombergNEF.

⁷ "[Greenhouse Gas Equivalencies Calculator.](#)" March 2021. U.S. Environmental Protection Agency.

⁸ Argue, Charlotte. "[To what degree does temperature impact EV range?](#)" May 25, 2020. Geotab

⁹ Tucker, Sean. "[I-95 Traffic Nightmare: What If You Were Stuck in an Electric Car for 24 Hours?](#)" January 25, 2022. Kelley Blue Book.

steady nationwide growth rate in the prevalence of charging stations, which will undoubtedly continue to climb—and facilitate grid upgrades—in the years to come.

Finally, USPS’s EIS is far from transparent and does not present nor use the most up-to-date data for fuel cost estimates, USPS discount rates, cost of capital improvements, or cost of chargers. USPS supplied so little data that it is impossible for any third party to attempt to recreate their analysis. Furthermore, USPS does not disclose its methodologies for total cost-of-ownership analysis, and the EIS lacks overall transparency behind the USPS’ decision-making process. Through the EIS process, USPS has consistently refused to clarify the per-unit price, technological specifications, or the abilities of its NGDV prototypes, which Oshkosh Defense is contracted to produce. Although the contract was awarded to Oshkosh Defense more than one year ago, Oshkosh has yet to demonstrate a single prototype of its NGDV.

It is important to note that when USPS chose Oshkosh Defense to produce these NGDVs, USPS explicitly highlighted that the Oshkosh Defense vehicles “can be retrofitted to keep pace with advances in electric vehicle technologies.”¹⁰ Yet, in its final EIS, USPS admits that “the Postal Service has no plans to retrofit any vehicles and therefore vehicle retrofits are not part of the Proposed Action.” As one of the leading organizations in electric vehicle-related public policy, we can authoritatively state that it would be a ground-breaking technological development for a company to produce a commercially competitive swappable gas-to-electric drivetrain. It is clear that this technology never existed at Oshkosh Defense as USPS repeatedly claimed. USPS’s decision to award Oshkosh Defense the NGDV contract was fundamentally predicated on this misinformation, which USPS has now walked back from and should materially alter the course of the contract itself.

We are at a critical moment to reduce planet-warming emissions, and this final EIS falsely justifies putting inefficient, polluting vehicles on the road for the next thirty years. We urge the Board of Governors to take swift action to intervene in the USPS’s flawed decision-making process before it locks generations of Americans into a carbon-intensive mail delivery system.

Thank you for your consideration.

Sincerely,



Joseph Britton
Executive Director
Zero Emission Transportation Association

¹⁰ [“U.S. Postal Service Awards Contract to Launch Multi-Billion-Dollar Modernization of Postal Delivery Vehicle Fleet.”](#) February 23, 2021. United States Postal Service.