## Congress of the United States

## House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

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March 14, 2022

Ms. Tammy L. Whitcomb Inspector General U.S. Postal Service 1735 N. Lynn Street Arlington, VA 22209

Dear Ms. Whitcomb:

We write to request that the Postal Service Office of Inspector General (OIG) initiate an investigation into the Postal Service's compliance with the National Environmental Policy Act (NEPA), particularly the filing of the Environmental Impact Statement (EIS) for the Next Generation Delivery Vehicle (NGDV).

The Environmental Protection Agency (EPA),<sup>1</sup> the White House Council for Environmental Quality (CEQ),<sup>2</sup> and numerous environmental stakeholders have raised concerns that the Postal Service did not meet its NEPA obligations during its contracting process for the NGDV. These significant concerns warrant an investigation by the OIG.

In its February 2, 2022, letter to the Postal Service, EPA stated that "the final EIS remains seriously deficient." EPA went on to state:

A contract for this proposal was awarded prior to the NEPA process, critical features of the contract are not disclosed in the EIS, important data and economic assumptions are missing in the EIS, and the EIS failed to consider a single feasible alternative to the proposed action. Specifically, the final EIS does not disclose essential information underlying the key analysis of Total Cost of Ownership (TCO), underestimates greenhouse gas (GHG) emissions, fails to consider more environmentally protective feasible alternatives, and inadequately considers impacts on communities with environmental justice concerns. These deficiencies render the final EIS inconsistent with the requirements of NEPA and its implementing regulations. For these reasons, EPA

<sup>&</sup>lt;sup>1</sup> Letter from Vicki Arroyo, Associate Administrator, U.S. Environmental Protection Agency, to Jennifer Beiro-Réveillé, Senior Director of Environmental Affairs and Corporate Sustainability, U.S. Postal Service (Feb. 2, 2022) (online at https://int.nyt.com/data/documenttools/epa-letter-usps/c3d0d76b005345e5/full.pdf).

<sup>&</sup>lt;sup>2</sup> Letter from Brenda Mallory, Chair, White House Council on Environmental Quality, to Postmaster General Louis DeJoy, U.S. Postal Service (Feb. 2, 2022) (online at www.whitehouse.gov/wp-content/uploads/2022/02/USPS letter 02022022.pdf).

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concludes that the relevant portions of the final EIS should be revised and made available for public comment in a supplemental EIS.<sup>3</sup>

In addition to the concerns raised by EPA, CEQ sent a letter to Postmaster General DeJoy on February 2, 2022, citing its specific concern that:

[T]he USPS's approach to its environmental review for the NGDV is also flawed in some ways that cannot be so easily remedied. For example, USPS issued the NGDV contract and reportedly committed more than \$480 million to begin engineering and factory construction before the agency began the environmental review for its procurement decision. The agency committed to walk down a path before looking to see where that path was leading. This approach conflicts with longstanding NEPA practice and law. USPS should evaluate the tools it has available to address this problem by considering actions to reduce environmental impacts, such as by working with the NGDV supplier on adjustments to ensure maximum feasible EV production.<sup>4</sup>

The NGDV contract represents a substantial investment and could lead to the Postal Service's acquisition of up to 165,000 vehicles over ten years. The Oversight Committee strongly supports the purchase of electric vehicles for the Postal Service's fleet, which would significantly cut emissions and position the Postal Service as an environmental leader.<sup>5</sup> Given the potential environmental impact of the NGDV contract, it is crucial that the Postal Service conduct a robust environmental analysis prior to moving forward. Postal vehicles serve a public purpose—helping to deliver the mail six days a week across the United States—and must do so in an environmentally sound manner. Given the substantial public interest in this acquisition and the significant deficiencies in the EIS identified by EPA, it is critical that Congress understand whether the Postal Service properly met its statutory environmental obligations.

As part of your investigation, we request that you address the following questions:

- 1. Did the Postal Service's EIS, including the process the Postal Service underwent to develop and submit its EIS, for the NGDV contract comply with NEPA?
- 2. Did the Postal Service finalizing its contract with Oshkosh Defense, including committing hundreds of millions of dollars in funding to Oshkosh before the EIS was filed, comply with NEPA?

<sup>&</sup>lt;sup>3</sup> Letter from Vicki Arroyo, Associate Administrator, U.S. Environmental Protection Agency, to Jennifer Beiro-Réveillé, Senior Director of Environmental Affairs and Corporate Sustainability, U.S. Postal Service (Feb. 2, 2022) (online at https://int.nyt.com/data/documenttools/epa-letter-usps/c3d0d76b005345e5/full.pdf).

<sup>&</sup>lt;sup>4</sup> Letter from Brenda Mallory, Chair, White House Council on Environmental Quality, to Postmaster General Louis DeJoy, U.S. Postal Service (Feb. 2, 2022) (online at www.whitehouse.gov/wp-content/uploads/2022/02/USPS letter 02022022.pdf).

<sup>&</sup>lt;sup>5</sup> See, e.g., Oversight and Reform Committee, *Press Release: Oversight Committee Approves Legislation to Electrify Government Vehicle Fleets, Tackle Climate Change* (Sept. 2, 2021) (online at https://oversight.house.gov/news/press-releases/oversight-committee-approves-legislation-to-electrify-government-vehicle-fleets).

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- 3. Was the Total Cost of Ownership analysis provided by the Postal Service reasonable and based on sufficient and sound data?
- 4. Should the Postal Service have considered alternative percentage mixes of electric vehicles and internal combustion engine vehicles in its EIS analysis?
- 5. Did the Postal Service make inaccurate or unproven assumptions about the environmental impacts of the fleet mix options it analyzed, including underestimating greenhouse gas emissions?
- 6. Why did the Postal Service assume an upfront vehicle cost for an electric NGDV that is substantially higher than other electric delivery vehicles being sold to private companies, and was this estimate reasonable?
- 7. Did the Postal Service have a responsibility to disclose additional information proving its assumptions in the EIS to federal regulators, and if so, what information should have been disclosed that was not?

If you have any questions, please contact Committee staff at (202) 225-5051. Thank you for your attention to this matter.

Sincerely,

Carolyn B. Maloney Chairwoman Committee on Oversight and Reform

Stephen Lynch Chairman Subcommittee on National Security

Jared Huffman

Member of Congress

Gerald E. Connolly Chairman Subcommittee on Government Operations

Brenda Lawrence Member of Congress

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cc: The Honorable James Comer, Ranking Member Committee on Oversight and Reform

> The Honorable Jody Hice, Ranking Member Subcommittee on Government Operations

The Honorable Glenn Grothman, Ranking Member Subcommittee on National Security