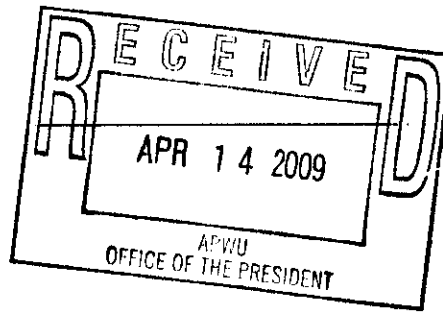


LABOR RELATIONS



April 10, 2009

Mr. William Burrus
President
American Postal Workers
Union, AFL-CIO
1300 L Street, NW
Washington, DC 20005-4128

CERTIFIED MAIL NUMBER:
7099 3400 0009 0516 7631

FAX (202) 842-4285

Dear Bill:

This letter is an informational notice of the Postal Service's intent to conduct an Area Mail Processing (AMP) study of the mail processing operations at the New Castle, Pennsylvania Processing and Distribution Facility (P&DF) for possible consolidation of some operations into the Pittsburgh, Pennsylvania Processing and Distribution Center (P&DC).

An AMP study involves the review of mail processing and transportation operations at a postal facility. The reason for the study is to review mail volume and determine capacity needs in order to increase efficiency and improve productivity. In doing so, we will be able to continue to provide universal service at a reasonable cost for a long time to come.

The Postal Service is facing one of the most difficult challenges in its history. There has been a continual decline in single-piece First-Class Mail volumes over the past decade. Volume was down by more than 9 billion pieces last year. It's falling even faster today. By the end of the year, we expect to lose 12 billion to 15 billion pieces. The Postal Service has to realign its processing and delivery network to match its resources with mail volume. The reality is we have an excess of equipment, staff, and facilities to process a declining volume of mail. Consolidating some postal operations only makes logical business sense given the economic realities. It would be fiscally irresponsible not to do so.

This letter is solely intended to provide you with information that we plan to conduct the study. If the business case supports consolidation, a public meeting will be held to allow members of the community to ask questions and provide feedback. Community input will be considered before a decision is made as to whether or not the proposed consolidation should be implemented. This letter is not intended as notice of future changes in mail processing and is not a notice of impact on employees. I will provide you with the appropriate notice, if any is required, when a decision is made.

If you have any questions concerning this AMP feasibility study, please contact Mary Hércules at (202) 268-4356.

Sincerely,

John W. Dockins
Manager
Contract Administration (APWU)