MEMORANDUM OF UNDERSTANDING BETWEEN THE UNITED STATES POSTAL SERVICE AND THE NATIONAL RURAL LETTER CARRIERS' ASSOCIATION

This memorandum of understanding (MOU) will supersede the MOU signed March 31, 2022, relative to rural route evaluations under the Rural Route Evaluated Compensation System (RRECS).

The first rural route evaluations under RRECS were implemented on May 6, 2023, and the second rural route evaluations will be effective October 7, 2023, utilizing volume data collected during the 52-week period (September 9, 2022, through September 8, 2023), along with mini mail survey data collected August 25 through September 8, 2023.

Beginning with this second rural route evaluation the parties have agreed to a modification to the route coverage calculation consisting of three changes:

- Route coverage will be calculated by averaging the daily coverage values for the 52-week period.
- Daily route coverage will be calculated separately for all regular boxes.
- Daily route coverage will be calculated separately for all centralized boxes.

The parties also agree that by the end of the calendar year, route coverage will be displayed on available daily reporting.

The interim methodology for calculation of the drive speed utilizing the authorized miles and the route stops, excluding traffic control points, to determine the average interval for subsequent application of the standard from the Drive Speed Matrix, will continue to be utilized should the rural route not have available mapping information at the time of the evaluation. Additionally, the previously agreed upon average time to be applied to parcel deliveries to the door will continue to be used when mapped data is unavailable. Either party may request to reevaluate this interim RRECS methodology at any time.

Rural routes will be evaluated every six months following the evaluation effective October 7, 2023. The beginning of the first full pay period in April and October, respectively, will be the effective date of all future rural route evaluations, unless the parties agree otherwise. The volume data collection period will consist of 52 weeks, which will end on the last day of the pay period, two full pay periods prior the April and October effective dates. The mini mail survey data will be collected during the last twelve working days of the 52-week period.

Thus, the new rural route evaluations will be effective at the beginning of the third full pay period following the completion of the data collection period.

The provisions set forth in the MOU do not restrict the parties from negotiating changes to RRECS should opportunities arise based on future advancements in technology.

Thomas J. Blum Vice President Labor Relations

United States Postal Service

Ronnie Stutts President

National Rural Letter Carriers'

Association

Date: 8/18/2023