



POSTAL NEWS

FOR IMMEDIATE RELEASE
February 10, 2006

Contact: Media Relations
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News Release No. 06-009
www.usps.com

POSTAL SERVICE TO CUT ELECTRIC BILL, IMPROVE ENVIRONMENT

Washington—Long committed to being an environmental leader, the U.S. Postal Service at a ceremony today in San Francisco celebrated the completion of two hybrid alternative power plants that are expected to cut in half —along with other major energy efficiency measures— power purchases and heating needs at two of the Postal Service’s largest facilities in California.

The new power plants at the San Francisco Processing & Distribution Center combine two solar technologies and hydrogen-fuel-cell generation, and energy efficiency retrofits at both sites that will help achieve significant energy savings.

An initiative of the Postal Service’s Shared Energy Savings (SES) program that provides alternative means to fund energy projects, the improvements at both facilities will lower annual electricity purchases by \$1.2 million, or 10 million kilowatt-hours, a 46 percent reduction.

In addition, the energy-efficient equipment will reduce heating needs at the San Francisco facility by 69 percent and at the Embarcadero Postal Center by 28 percent. In total, these improvements will reduce carbon dioxide emissions by approximately 6,600 tons annually.

“Today, we are making a bold statement about how we feel about the environment,” said Thomas Day, senior vice president of government relations, who spoke at the event.

“And with fuel and energy prices at unprecedented levels, we know that to manage costs, we have to respond by encouraging energy efficient programs, and more importantly, by developing solar generation and fuel-cell generation projects,” said Day.

Under an SES contract, the contractor provides all the funding necessary to implement energy conservation measures. The contractor is compensated by receiving a percentage or “share” of the dollar savings attributable to the project. These energy conservation measures include renewable energy sources, such as wind power and geothermal heat pumps, combined heating and power, lighting retrofits, and building controls.

Chevron Energy Solutions, a subsidiary of Chevron Corporation, developed, engineered, and constructed the projects during the past year.

“Chevron has provided clear alternatives that will help us to reduce our energy costs, which will help save millions of dollars over the life of these projects,” said Day. “In the end, we know these projects will help protect low-cost service for our customers.”

The Postal Service is one of the largest owners of solar electric technologies in the country. “We’re doing what we can to help reduce our environmental footprint in the community, and we hope other companies follow the lead,” said Day.

In compliance with the Energy Policy Act of 2005, SES is part of the Postal Service’s national energy program that is designed to help manage costs, reduce dependency on oil, and provide energy security.

According to Mike Fanning, acting manager of Environmental Management Policy, the Postal Service will expand the SES program to all 50 states by the end of February. “Our national energy program also includes utility-invoice analysis and renewable and alternative fuel vehicles, including electric hybrids and those that run on hydrogen, natural gas, and ethanol.”

Since 1775, the Postal Service and its predecessor, the Post Office Department, has connected friends, families, neighbors and businesses by mail. It is an independent federal agency that visits more than 144 million homes and businesses every day and is the only service provider delivering to every address in the nation. The Postal Service receives no taxpayer dollars for routine operations, but derives its operating revenues solely from the sale of postage, products and services. With annual revenues of \$70 billion, it is the world’s leading provider of mailing and delivery services, offering some of the most affordable postage rates in the world. The U.S. Postal Service delivers more than 46 percent of the world’s mail volume—some 212 billion letters, advertisements, periodicals and packages a year—and serves seven million customers each day at its 37,000 retail locations nationwide.

About Chevron Energy Solutions

Chevron Energy Solutions partners with institutions and businesses to improve facilities, increase efficiency, reduce energy consumption and costs, and ensure reliable, high-quality power for critical operations. Its projects reduce air emissions, extend fuel supplies and enhance indoor environments. The projects are funded by the energy savings they generate, saving taxpayer dollars. With more than two dozen locations nationwide, the company maintains in-house engineering, monitoring and project management capabilities; provides financing options; and delivers solutions designed to address each customer’s particular needs.