

Postal Regulations

Thursday
August 15, 1996

Part III

Postal Service

39 CFR Part 111
Classification Reform; Implementation
Standards; Final Rule

POSTAL SERVICE**39 CFR Part 111****Classification Reform; Implementation Standards**

AGENCY: Postal Service.

ACTION: Final rule with request for comments.

SUMMARY: This final rule sets forth the Domestic Mail Manual (DMM) standards adopted by the Postal Service to implement the Decision of the Governors of the United States Postal Service on the Recommended Decision of the Postal Rate Commission on Nonprofit Standard Mail, Nonprofit Enhanced Carrier Route Standard Mail, Nonprofit Periodicals, and Within County Periodicals, Docket No. MC96-2, Classification Reform II. This final rule also contains the phased rates being implemented both for those subclasses as well as for Classroom Periodicals and Library Mail.

DATES: The final rule is effective October 6, 1996. Comments on the standards for Classroom Periodicals as discussed in Supplementary Information must be received on or before September 5, 1996.

ADDRESSES: Written comments should be mailed or delivered to the Manager, Customer Mail Preparation and Standards, U.S. Postal Service, 475 L'Enfant Plaza SW, Room 6830, Washington DC 20260-2405. Copies of all written comments will be available at the above address for inspection and photocopying between 9 a.m. and 4 p.m., Monday through Friday.

FOR FURTHER INFORMATION CONTACT: Leo F. Raymond, (202) 268-5199.

SUPPLEMENTARY INFORMATION: On April 4, 1996, pursuant to its authority under 39 U.S.C. 3621, et seq., the Postal Service filed with the Postal Rate Commission (PRC) a request for a recommended decision on several mail classification reform proposals for nonprofit Periodicals and Standard Mail (Classification Reform II). The PRC designated the filing as Docket No. MC96-2. On April 11, 1996, the PRC published a notice of the filing, with a description of the Postal Service's proposals, in the Federal Register (61 FR 16129-16146).

After an abbreviated proceeding that was made possible by settlement between many of the intervenors and the Postal Service, the PRC issued its Opinion and Recommended Decision on Docket No. MC96-2 on July 19, 1996. In that document, the PRC favorably recommended what the Postal Service

had proposed, with the exception of those provisions in the Classroom Periodicals rate schedule; the PRC reopened the record in Docket No. MC96-2 for further proceedings on that category of mail. On August 6, 1996, the Governors of the Postal Service accepted the Recommended Decision and the Board of Governors set October 6, 1996, as the date on which the provisions of Docket No. MC96-2 would take effect. A notice of the Decision of the Governors is published elsewhere in this issue of the Federal Register.

As stated in the Postal Service filing, the changes proposed in Docket No. MC96-2 deliberately mirrored those adopted by the Governors of the Postal Service in Docket No. MC95-1. The Postal Service correctly believed that this feature of its proposal would expedite the ratemaking process and facilitate simplified implementing standards if the PRC's Recommended Decision substantially supported the Postal Service's proposal and if that Recommended Decision were approved by the Governors and implemented by the Board of Governors.

Until July 1, 1996 (the implementation date for Classification Reform I), rate eligibility and mail preparation standards were generally similar for both commercial and nonprofit mail. After that date, new standards took effect for commercial rate categories, while the preexisting rules were generally retained for the "unreformed" nonprofit categories pending the resolution of Docket No. MC96-2. In line with its proposal in Docket No. MC96-2, the Postal Service proposed revised Domestic Mail Manual (DMM) standards for nonprofit rate categories that would substantively eliminate the preparation and rate eligibility distinctions between commercial and nonprofit mail that would exist after July 1, 1996.

The DMM standards that were proposed to take effect to implement Docket No. MC96-2 were published for public comment in the Federal Register on June 24, 1996 (61 FR 32606-32616).

No comments were received on the proposed rule. Accordingly, it is adopted without change as the final rule, except that comments may be submitted on the rate provisions for Classroom Periodicals.

Accordingly, the following units of the DMM are eliminated, having been established solely to contain former general standards that were applicable only to nonprofit rate categories during the interim period beginning July 1: E239, E249, E639, E649, L001, L897, L898, L899, M690, M692, M693, M695, M696, M697, M698, M890, M891,

M892, M893, M894, M895, M896, M897, and M898. Sections of other units are also eliminated for the same reason, as shown in the detailed DMM text below.

In addition, the existing eligibility standards in E231 and E239 are consolidated into E230, and existing E241 and E249 are consolidated into new E240. The basic mail preparation standards in M010 through M070, as amended in the proposed rule, are also implemented as proposed for all nonprofit mail.

The DMM text presented below reflects other organizational revisions that do not constitute substantive changes: E621 through E625 are consolidated into E620; E631 through E634 are consolidated into E630; and E641 is redesignated as E640.

Most of the rates described below in the revisions to DMM module R are Step 4 rates, not the Step 6 "full" rates shown in the Postal Service's Request, recommended by the PRC, and accepted by the Governors. "Full" rates are subject to incremental implementation (phasing) under the provisions of 39 U.S.C. 3642. For certain nonletter Nonprofit Standard Mail, however, Step 4 rates would conflict with the provisions of subsection (d) of section 3642. Consequently, the rates for such mail (i.e., all pieces subject to Nonprofit 3/5 and Enhanced Carrier Route nonletter rates) have been set at the Step 6 "full" rates. Compared with the tentative rates published in the June 24 Federal Register, this results in different rates for all Nonprofit 3/5 and Enhanced Carrier Route rate nonletter-size pieces. Within the Nonprofit subclass, it also results in a difference in pound rates between Basic rate and 3/5 rate pieces subject to nonletter rates.

The "breakpoint" for Nonprofit Standard Mail is also amended, based on the rates in Docket No. MC96-2 and the implementation of Step 6 rates as discussed above. (Standard Mail (A) is subject to postage at either a minimum rate per piece or a compound rate consisting of a flat piece charge and a pound charge that varies according to the weight of the piece, whichever is higher. The breakpoint is the calculated piece weight at or below which the piece is subject to the minimum per piece rate; above it, the piece/pound rate must be paid. Because the breakpoint is based on the mathematical relationship of specific rate elements, it is adjusted whenever rates are changed.) The implementation of Step 6 rates has caused a slight decrease from the breakpoint for Nonprofit Enhanced Carrier Route Standard Mail rates

published in the proposed rule. As shown below, that breakpoint is set at 0.2084 pound (3.3348 ounces), 0.0036 ounce less than in the proposed rule.

Because the PRC's Recommended Decision, as accepted and implemented by the Governors, excludes rate changes for Classroom Periodicals that had been proposed by the Postal Service, the rates for Classroom Periodicals in DMM module R are revised to reflect only the Step 4 rates separately scheduled to take effect October 6, 1996, as prescribed by the Governors of the Postal Service. Under the same scheduled advancement to Step 4, revised rates for Library Mail also take effect October 6, 1996. Although not part of Docket No. MC96-2 or this rulemaking, the revised Library Mail rates are shown below as information to readers.

The PRC's Recommended Decision leaves the rate schedule for Classroom Periodicals unchanged, retaining ZIP+4 Classroom rates. Because of this difference from what the Postal Service had proposed in its request and in the proposed rule, this final rule is amended to retain access to ZIP+4 rates for Classroom Periodicals in a way that minimizes the impact of those provisions on the Postal Service's efforts to simplify DMM standards for rate eligibility and mail preparation. Therefore, the Postal Service adopts standards for ZIP+4 Classroom rate mail that are different from those published in DMM Issue 50. Because these standards were not part of the June 24 proposed rule, the Postal Service will accept further comments on those standards from interested parties for an additional 21 days.

In general, the Postal Service establishes eligibility standards for ZIP+4 Classroom rate mail that parallel those for other automation rate Periodicals. Mail preparation standards for ZIP+4 Classroom rate mail would be essentially similar to those for upgradable mail in other classes, except a ZIP+4 code would be required in the address. The Postal Service anticipates minimal adverse impact from this proposal on the mailing community, given the applicability of ZIP+4 rates to only letter-size pieces and the likely absence of a significant volume of letter-size mail in the Classroom Periodicals subclass.

The Postal Service is also revising the standard that prohibits the use of certain nonpaper, plastic-like materials (such as spun-bonded olefin) that do not accept the water-based ink used by the Postal Service to spray barcodes on mail. The current prohibition applies to pieces claimed at ZIP+4 rates, but ZIP+4 rates were eliminated for First-Class Mail,

Regular Periodicals, and Regular Standard Mail in MC95-1, and a comparable proposal was advanced in MC96-2 for Preferred Periodicals and Nonprofit Standard Mail. Nonetheless, the Postal Service remains interested in optimizing its ability to "upgrade" (i.e., spray a barcode on) that volume of customer mail that was formerly prepared to qualify for the ZIP+4 rates (e.g., compatible with automated address recognition and automated processing) and that will not hereafter be barcoded before entry into the mailstream. For that reason, the implementing standards for MC95-1 and those adopted by this notice for MC96-2 prescribe simpler preparation standards for "upgradable" mail than for other nonupgradable pieces. Because the Postal Service seeks to barcode this mail by means similar to those used for ZIP+4 rate mail, the Postal Service will continue to ban the use of certain nonpaper envelope materials for "upgradable" mail as it does now for ZIP+4 rate pieces. This ban is represented by the revision to C830.6.2 shown below.

All references to DMM sections shown in this rule are based on DMM Issue 50 (July 1, 1996).

List of Subjects in 39 CFR Part 111
Postal Service.

For the reasons discussed above, the Postal Service hereby adopts the following amendments to the Domestic Mail Manual, which is incorporated by reference in the Code of Federal Regulations (see 39 CFR part 111).

PART 111—[AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 3001-3011, 3201-3219, 3403-3406, 3621, 3626, 5001.

2. Revise the following sections of the Domestic Mail Manual as set forth below:

A Addressing

A000 Basic Addressing

A010 General Addressing Standards

* * * * *

4.0 Return Address

* * * * *

[Revise the heading and text of 4.5 to read as follows:]

4.5 Upgradable Mail

The return address on upgradable mail must be outside the OCR read area. If placed on the front of the mailpiece, the return address must be in the top

left corner. It must extend no farther than half the length of the piece from the left edge and no lower than one-third the height of the piece from the top edge (see Exhibit 4.5).

* * * * *

A800 Addressing for Automation

1.0 Accuracy

1.1 Basic Standards

[Revise 1.1 to read as follows:]

To qualify for automation rates, addresses must be sufficiently complete to enable matching to the current USPS ZIP+4 File when used with current CASS-certified address matching software. Standardized address elements are not required.

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[Revise the heading of A900 to read as follows:]

A900 Customer Support

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A950 Coding Accuracy Support System (CASS)

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3.0 Date of Address Matching and Coding

3.1 Update Standards

[Amend 3.1 by revising the second sentence to read as follows:]

* * * Coding must be done within 90 days before the mailing date for all carrier route mailings and within 180 days before the mailing date for all non-carrier route automation rate mailings. * * *

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C Characteristics and Content

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C800 Automation-Compatible Mail

C810 Letters and Cards

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2.0 Dimensions

* * * * *

[Revise the heading of 2.3 to read as follows:]

2.3 Maximum Weight

[Revise 2.3 to read as follows:]
Maximum weight limits are as follows:

a. 2.5 ounces: upgradable Presorted First-Class Mail, ZIP+4 Classroom Periodicals, and upgradable nonautomation Standard Mail.

b. 3 ounces: automation First-Class Mail, automation Periodicals, and automation Standard Mail.

c. 3.3062 ounces: automation Enhanced Carrier Route heavy letters, subject to 7.5.

d. 3.3087 ounces: automation Regular Standard Mail heavy letters, subject to 7.5.

e. 3.3348 ounces: automation Nonprofit Enhanced Carrier Route heavy letters, subject to 7.5.

f. 3.3407 ounces: automation First-Class Mail, automation Periodicals, and automation Nonprofit Standard Mail heavy letters, subject to 7.5.

* * * * *

8.0 Enclosed Reply Cards and Envelopes

8.1 Basic Standard

[Revise 8.1 to read as follows:]

Effective January 1, 1997 (or March 1, 1997, for Preferred Periodicals and Nonprofit Standard Mail), all letter-size reply cards and envelopes (business reply, courtesy reply, and metered reply mail) provided as enclosures in automation First-Class Mail, automation Periodicals, and automation Standard Mail (A), and addressed for return to a domestic delivery address, must meet the applicable standards in 1.0 through 7.0, bear a facing identification mark (FIM) meeting the standards in 8.2, and bear the correct delivery point barcode (or, for business reply mail (BRM), the correct ZIP+4 barcode) for the delivery address on the reply piece as defined by the USPS and subject to the barcode standards in C840. The mailer must certify that these standards have been met when the corresponding mail (in which the reply pieces are enclosed) is presented to the USPS. BRM pieces must also meet the applicable standards in S922.

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C830 OCR Standards

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6.0 USPS Water-based Barcode Ink

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6.2 Nonpaper Material

[Revise 6.2 to read as follows:]

Certain nonpaper, plastic-like material (such as spun-bonded olefin) is not acceptable for upgradable pieces unless approved by USPS Engineering.

* * * * *

[Revise the heading of C840 to read as follows:]

C840 Barcoding Standards

* * * * *

2.0 Barcode Location—Letter-Size Pieces

2.1 Barcode Clear Zone

[Amend 2.1 by revising the first sentence to read as follows:]

Each letter-size piece in an automation rate mailing, each piece of ZIP+4 Classroom Periodicals, and each piece of upgradable Presorted First-Class Mail or upgradable Standard Mail (A) must have a barcode clear zone unless the piece bears a DPBC in the address block.

* * *

2.2 General Standards

[Replace 2.2, 2.2a, 2.2b, and 2.2c with new 2.2 to read as follows:]

In automation rate mailings, pieces weighing 3 ounces or less may bear a DPBC either in the address block or in the barcode clear zone; pieces weighing more than 3 ounces (up to the maximum weight permitted by C810) must bear a DPBC in the address block.

* * * * *

[Revise the heading of 8.0 to read as follows:]

8.0 5-Digit and ZIP+4 Barcodes

8.1 Automation Pieces

[Replace 8.1, 8.1a, 8.1b, and 8.1c with new 8.1 to read as follows:]

Except under 8.3, letter-size pieces in automation rate mailings may not bear a 5-digit or ZIP+4 barcode in the lower right corner (barcode clear zone); such pieces may bear a 5-digit or ZIP+4 barcode in the address block only if a DPBC appears in the lower right corner. Except under 8.3, flat-size pieces may not bear a 5-digit barcode.

* * * * *

8.3 Temporary Exception to Barcoding

[Revise 8.3 to read as follows:]

Until January 1, 1997, up to 10% of the pieces in an automation Periodicals mailing of flat-size pieces may be prepared with only a 5-digit barcode (subject to C840); and up to 10% of the pieces in an automation Periodicals mailing of letter-size pieces may be prepared without a barcode or with only a ZIP+4 barcode (subject to C840). Pieces within this 10% allowance must be combined and presorted with the rest of the mailing, with postage paid at the applicable nonautomation Periodicals rate and supported by documentation under former M893 (letters) or M897 (flats).

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E Eligibility

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E200 Periodicals

E210 Basic Standards

E211 All Periodicals

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14.0 Basic Rate Eligibility

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[Revise the heading of 14.3 to read as follows:]

14.3 Adjustments and Discounts

[Replace 14.3, 14.3a, 14.3b, 14.3c, and 14.3d with new 14.3 to read as follows:]

Postage for Periodicals is reduced by all applicable adjustments and discounts. The nonadvertising adjustment applies to the outside-county piece rate charges and is computed under P013. Presort and automation discounts are available under E230 and E240, respectively. Destination entry discounts are available under E250 for copies entered at specific USPS facilities.

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E230 Nonautomation Rates

[Remove E239 and redesignate E231 as E230.]

1.0 General Information

1.1 Standards

[Amend 1.1 by replacing the reference "M210" with "M200" to read as follows:]

The standards for presort rates are in addition to the basic standards for Periodicals in E210, the standards for other rates or discounts claimed, and the applicable preparation standards in M200, M810, or M820. Not all combinations of presort level, automation, and destination entry discounts are permitted.

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2.0 Carrier Route Rates

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2.2 Eligibility

[Amend 2.2 by replacing the reference "M210" with "M200" in the introductory text to read as follows:]

Preparation to qualify eligible pieces for carrier route rates is optional and is subject to M200. Carrier route sort need not be done for all carrier routes in a 5-digit area. Specific rate eligibility is subject to these standards:

* * * * *

3.0 3/5 Rates

[Amend 3.0 by revising the introductory text to read as follows:]

Subject to M200, 3/5 rates apply to pieces not claimed at in-county rates, as follows:

* * * * *

4.0 Basic Rates

[Revise 4.0 to read as follows:]

Basic rates apply to pieces prepared under M200 but not claimed at Carrier Route or 3/5 rates.
[Redesignate current 5.0 and 6.0 as 6.0 and 7.0, respectively, and revise internal references accordingly; add new 5.0 to read as follows:]

5.0 In-County Rates

In-county Basic rates apply to all pieces eligible for in-county rates that are not also eligible under 2.0 for in-county Carrier Route rates.

* * * * *

E240 Automation Rates

[Remove E249 and redesignate E241 as E240.]

1.0 Basic Standards

1.1 All Pieces

[Amend 1.1 by revising the introductory text to read as follows:]

Except for Classroom Periodicals under 3.0, all pieces in an automation Periodicals mailing must:

* * * * *

1.2 Enclosed Reply Cards and Envelopes

[Revise 1.2 to read as follows:]

Effective January 1, 1997 (or March 1, 1997, for Preferred Periodicals), all letter-size reply cards and envelopes (business reply, courtesy reply, and metered reply mail) provided as enclosures in automation Periodicals, and addressed for return to a domestic delivery address, must meet the standards in C810 for enclosed reply cards and envelopes. The mailer must certify that this standard has been met when the corresponding mail (in which the reply pieces are enclosed) is presented to the USPS.

1.3 Temporary Exception to Barcoding

[Revise 1.3 to read as follows:]

Until January 1, 1997, up to 10% of the pieces in an automation Periodicals mailing of flat-size pieces may be prepared with only a 5-digit barcode (subject to C840); and up to 10% of the pieces in an automation Periodicals mailing of letter-size pieces may be prepared without a barcode or with only a ZIP+4 barcode (subject to C840). Pieces within this 10% allowance must be combined and presorted with the rest of the mailing, with postage paid at the applicable nonautomation Periodicals rate and supported by documentation under former M893 (letters) or M897 (flats).

[Revise the heading of 2.0 to read as follows:]

2.0 Rate Application—Except Classroom Periodicals

[Redesignate current 2.1a, 2.1b, and 2.1c as 2.1b, 2.1d, and 2.1e, respectively, and revise redesignated 2.1b and add new 2.1a and 2.1c to read as follows:]

2.1 Letters

Automation rates apply to each letter-size piece that is sorted under M810 into the corresponding qualifying groups:

- a. Groups of 150 or more pieces in 5-digit trays qualify for the 5-digit automation in-county rate.
- b. Groups of 150 or more pieces in 5-digit or unique 3-digit trays qualify for the 3/5 automation Regular or Nonprofit rate, as applicable.
- c. Groups of 150 or more pieces in unique 3-digit trays qualify for the 3-digit automation in-county rate.
- d. Pieces for a unique 3-digit destination that is part of a 3-digit scheme group in L003 qualify for the 3/5 automation rate when placed in a 3-digit scheme tray if grouped separately from pieces for other 3-digit areas.
- e. Groups of fewer than 150 pieces in origin/entry 3-digit/scheme trays and groups of 150 or more pieces in other 3-digit, 3-digit scheme, or AADC trays and all pieces in mixed AADC trays qualify for the Basic automation rate.

* * * * *

[Add new 3.0 to read as follows:]

3.0 Classroom Periodicals

3.1 ZIP+4 Rates

ZIP+4 Classroom Periodicals must meet the basic standards in 1.1a through 1.1f and 1.2, except each piece must meet the physical standards for letter-size mail in C810 and the standards for OCR processing in C830, must bear the correct ZIP+4 code in the address, and must have address elements in the standardized format placed in the OCR read area, under A010. ZIP+4 rates apply to each letter-size piece that is sorted under M810 into the corresponding qualifying groups:

- a. Groups of 150 or more pieces in 5-digit or unique 3-digit trays qualify for the 3/5 ZIP+4 rate.
- b. Groups of fewer than 150 pieces in origin/entry 3-digit trays and groups of 150 or more pieces in other 3-digit or AADC trays, and all pieces in mixed AADC trays qualify for the Basic ZIP+4 rate.

3.2 Barcoded Rates

Barcoded Classroom Periodicals must meet the basic standards in 1.0. Barcoded rates apply to each letter-size

piece that is sorted under M810 into the corresponding qualifying groups:

- a. Groups of 150 or more pieces in 5-digit trays qualify for the 5-digit Barcoded rate.
- b. Groups of 150 or more pieces in unique 3-digit trays qualify for the 3-digit Barcoded rate.
- c. Pieces for a unique 3-digit destination that is part of a 3-digit scheme group in L003 qualify for the 3-digit Barcoded rate when placed in a 3-digit scheme tray if grouped separately from pieces for other 3-digit areas.
- d. Groups of fewer than 150 pieces in origin/entry 3-digit/scheme trays and groups of 150 or more pieces in other 3-digit, 3-digit scheme, or AADC trays and all pieces in mixed AADC trays qualify for the Basic Barcoded rate.

E250 Destination Entry

[Amend 2.1 by replacing the reference "M210" with "M200" and by removing the phrase "or Level I or K"; no other change to text.]

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E600 Standard Mail

E610 Basic Standards

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E612 Additional Standards for Standard Mail (A)

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4.0 Bulk Rates

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4.2 Minimum Per Piece Rates

[Revise 4.2 to read as follows:]

The minimum per piece rates (i.e., the minimum postage that must be paid for each piece) apply to Enhanced Carrier Route rate pieces weighing no more than 0.2066 pound rounded (3.3062 ounces rounded); Regular nonautomation and automation rate pieces weighing no more than 0.2068 pound rounded (3.3087 ounces rounded); Nonprofit Enhanced Carrier Route rate pieces weighing no more than 0.2084 pound rounded (3.3348 ounces rounded); and Nonprofit nonautomation and automation rate pieces weighing no more than 0.2088 pound rounded (3.3407 ounces rounded). The base postage rate applies to pieces meeting minimum preparation standards (e.g., Basic rate) and may be reduced if additional standards are met. In applying the minimum per piece rates, mail is categorized as either letters or other than letters, based on whether the mail meets the letter-size standard in C050. That standard disregards address placement, except that, for automation rates, mail may be assigned to the other than letters category based

on the standards in C820. Address placement is also used to apply the aspect ratio standard in C810 to letter-size automation rates.

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4.7 Annual Fees

[Replace 4.7, 4.7a, and 4.7b with new 4.7 to read as follows:]

Bulk rate Standard Mail (A) is subject to an annual mailing fee once each 12-month period. The fee may be paid in advance only for the next year and only during the last 30 days of the current service period. The fee charged is that in effect on the date of payment. Each mailer who enters mail at bulk rates paid with meter or precanceled stamps must pay an annual bulk mailing fee at each post office of mailing; a mailer paying this fee may enter clients' mail as well as the mailer's own. The mailer whose permit imprint appears on pieces in a mailing paid with a permit imprint must show that permit number on the postage statement and must pay the annual bulk mailing fee for that permit; this fee is in addition to the fee for an application to use permit imprints.

* * * * *

4.9 Preparation

[Amend 4.9 by revising the introductory text and 4.9c to read as follows:]

Each bulk rate mailing is subject to these general standards:

* * * * *

c. The same mailing may not contain both automation and nonautomation rate pieces.

* * * * *

E620 Nonautomation Nonpresort Rates

[Redesignate E621 as E620.1.0; revise to read as follows:]

1.0 Single-Piece Standard Mail (A)

[Redesignate E621.1.1 through 1.6 as E620.1.1 through 1.6, respectively; no other change to text.]

[Redesignate E622 as E620.2.0 and revise internal references accordingly; revise to read as follows:]

2.0 Parcel Post

[Redesignate chart under 2.1 as Exhibit 2.4, with the heading "BMC/ASF Service Areas," and revise redesignated 2.1 to read as follows:]

2.1 Basic Standards

Any Standard Mail (B) matter may be mailed at parcel post rates, subject to the basic standards in E611 and E613. [Redesignate E622.1.2 and 1.3 as E620.2.2 and 2.3, respectively.]

* * * * *

[Redesignate E622.2.0, 3.0, and 4.0 as E620.2.4, 2.5, and 2.6, respectively, and revise internal references accordingly; no other change to text.]

2.4 Rate Eligibility

[Add introductory text to redesignated E620.2.4 to read as follows:]

Parcel post rates are based on the zone to which the parcel is addressed; the weight of the parcel; and whether the parcel is mailed and delivered either within the service area of the same bulk mail center (BMC) or auxiliary service facility (ASF) (as shown in Exhibit 2.4) or within another designated service area. Specific rates and discounts are subject to these additional standards:

[Redesignate E622.2.1 through 2.5 as E620.2.4a through 2.4e, respectively, and revise internal references accordingly; no other change to text.]

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2.5 Nonmachinable Surcharge

[Add introductory text to redesignated E620.2.5 to read as follows:]

The nonmachinable surcharge applies only to the items listed in 2.5a through 2.5i if mailed at the inter-BMC/ASF parcel post rates and no special delivery or special handling fee is paid. The nonmachinable surcharge applies to items within these categories:

[Remove the introductory text of E622.3.2 and redesignate E622.3.2a through 3.2i as E620.2.5a through 2.5i, respectively.]

* * * * *

2.6 Fees

[Add introductory text to redesignated E620.2.6 to read as follows:]

Parcel post is subject to these fees, as applicable:

[Redesignate E622.4.1 and 4.2 as E620.2.6a and 2.6b, respectively.]

* * * * *

[Redesignate E623 as E620.3.0.]

3.0 Bound Printed Matter

[Redesignate E623.1.1 through 1.4 as E620.3.1 through 3.4, respectively.]

[Redesignate E624 as E620.4.0.]

4.0 Special Standard Mail

[Redesignate E624.1.1 through 1.4 as E620.4.1 through 4.4, respectively, and revise internal references accordingly; no other change to text.]

[Redesignate E625 as E620.5.0.]

5.0 Library Mail

[Redesignate E625.1.1 through 1.7 as E620.5.1 through 5.7, respectively, and revise internal references accordingly; no other change to text.]

E630 Nonautomation Presort Rates

[Remove E639; redesignate E631 through E634 as E630.1.0 through 4.0, respectively, and revise as follows:]

1.0 Regular and Nonprofit Standard Mail

[Redesignate E631.1.0 through 3.0 as E630.1.1 through 1.3, respectively; in redesignated 1.1 and 1.2, replace the term "Regular Standard Mail" with "Regular or Nonprofit Standard Mail"; in redesignated 1.3, replace the term "Regular rates" with "Regular and Nonprofit rates"; no other change to text.]

2.0 Enhanced Carrier Route Standard Mail

[Redesignate E632.1.1 through 1.7 as E630.2.1 through 2.7, respectively; in redesignated 2.3, replace the reference "E641" with "E640"; redesignate E632.2.1 and 2.2 as E630.2.8 and 2.9, respectively; revise the heading of redesignated 2.8 to read as "Basic Rates"; in redesignated 2.9, replace the reference "1.6 and 1.7" with "2.6 and 2.7"; no other change to text.]

3.0 Bulk Bound Printed Matter

[Redesignate E633.1.1 and 1.2 as E630.3.1 and 3.2, respectively; in redesignated 3.1, replace the phrase "basic standards in E623" with "basic standards for bound printed matter in E620"; in redesignated 3.2b, replace the reference "1.2a" with "3.2a"; no other change to text.]

4.0 Presorted Special Standard Mail

[Redesignate E634.1.0 and 2.1 through 2.5 as E630.4.1 and 4.2 through 4.6, respectively.]

E640 Automation Rates

[Remove E649; redesignate E641 as E640; in 1.3, replace the term "Regular automation rates" with "Automation rates"; in 1.4, replace the term "Regular automation rates" with "Automation rates."]

[Revise the heading of 1.0 to read as follows:]

1.0 Regular and Nonprofit Rates

1.1 All Pieces

[Amend 1.1 by revising the introductory text and 1.1b to read as follows:]

All pieces in an automation rate Regular or Nonprofit Standard mailing must:

* * * * *

b. Be part of a single mailing of at least 200 pieces or 50 pounds of pieces of automation rate Standard Mail

(Regular and Nonprofit mailings must meet separate minimum volumes).

* * * * *

1.2 Enclosed Reply Cards and Envelopes

[Revise 1.2 to read as follows:]

Effective January 1, 1997 (or March 1, 1997, for Nonprofit Standard Mail), all letter-size reply cards and envelopes (business reply, courtesy reply, and metered reply mail) provided as enclosures in automation Regular or Nonprofit Standard Mail, and addressed for return to a domestic delivery address, must meet the standards in C810 for enclosed reply cards and envelopes. The mailer must certify that this standard has been met when the corresponding mail (in which the reply pieces are enclosed) is presented to the USPS.

* * * * *

[Revise the heading of 2.0 to read as follows:]

2.0 Enhanced Carrier Route Rates

2.1 All Pieces

[Amend 2.1 by revising the introductory text and 2.1b to read as follows:]

All pieces in an automation rate Enhanced Carrier Route Standard mailing (available for letters only) must:

* * * * *

b. Be part of a single mailing of at least 200 pieces or 50 pounds of pieces of automation rate Enhanced Carrier Route Standard Mail (Regular and Nonprofit mailings must meet separate minimum volumes).

* * * * *

2.4 Enclosed Reply Cards and Envelopes

[Revise 2.4 to read as follows:]

Effective January 1, 1997 (or March 1, 1997, for Nonprofit Enhanced Carrier Route Standard Mail), all letter-size reply cards and envelopes (business reply, courtesy reply, and metered reply mail) provided as enclosures in automation Enhanced Carrier Route Standard Mail, and addressed for return to a domestic delivery address, must meet the standards in C810 for enclosed reply cards and envelopes. The mailer must certify that this standard has been met when the corresponding mail (in which the reply pieces are enclosed) is presented to the USPS.

* * * * *

E650 Destination Entry

* * * * *

E652 Parcel Post

[In 1.4, replace the reference "E622" with "E620"; no other change to text.]

E670 Nonprofit Standard Mail

1.0 Basic Standards

1.1 Organization Eligibility

[Revise 1.1 to read as follows:]

Only organizations that meet the standards in 2.0 or 3.0 and that have received specific authorization from the USPS may mail eligible matter at any Nonprofit Standard Mail rate, including Nonprofit Enhanced Carrier Route rates.

* * * * *

L Labeling Lists

[Remove L001, L897, L898, and L899.]

M Mail Preparation and Sortation

M000 General Preparation Standards

M010 Mailpieces

M011 Basic Standards

[Revise the heading of 1.0 to read as follows:]

1.0 Terms and Conditions

* * * * *

1.2 Presort Levels

[Amend 1.2 by revising 1.2d, 1.2h, and 1.2i to read as follows:]

Terms used for presort levels are defined as follows:

* * * * *

d. 3-digit: the ZIP Code in the delivery address on all pieces begins with the same three digits (see L002, Column A).

* * * * *

h. SCF: the separation includes pieces for two or more 3-digit areas served by the same SCF (see L005), except that, where required or permitted by standard, mail for a single 3-digit area may be prepared in an SCF separation when no mail for other 3-digit ZIP Code areas is available.

i. ADC/AADC: all pieces are addressed for delivery in the service area of the same ADC or AADC (see L004 or L801).

* * * * *

1.4 Mailing

[Revise 1.4 to read as follows:]

A mailing is a group of pieces within the same class of mail and processing category that may be sorted together under the applicable standards. Other specific standards may define whether separate mailings may be combined, palletized, reported, or deposited together. The following types of mail may not be part of the same mailing despite being in the same class and processing category: automation and nonautomation mail; automation rate Enhanced Carrier Route and other mail; any combination of Enhanced Carrier

Route, Regular, Nonprofit, and/or Nonprofit Enhanced Carrier Route Standard Mail.

* * * * *

M013 Optional Endorsement Lines

1.0 Use

1.1 Basic Standards

[Amend 1.1 by removing in the chart the entries for *Optional City and Working*; by revising the parenthetical terms following the first entry for *Carrier Route* to read as only "(Periodicals)"; by revising the parenthetical terms following the entry for *SCF* to read as only "(bound printed matter)"; and by removing the parenthetical phrase "(Except Preferred Periodicals and Nonprofit Standard Mail)" following the entries for *AADC* and *Mixed AADC*.]

* * * * *

1.4 Rate Markings

[Amend 1.4 by replacing the term "automation Regular Standard Mail" with "automation Standard Mail."]

* * * * *

M014 Carrier Route Information Lines

1.0 Basic Information

[Amend 1.0 by replacing the terms "carrier route and Level I/K Periodicals" with "Carrier Route Periodicals."]

* * * * *

M020 Packages and Bundles

[Remove 2.0; redesignate 3.0 and 4.0 as 2.0 and 3.0, respectively; revise the heading of redesignated 2.0 as "Additional Standards" First-Class Mail, Periodicals, and Standard Mail (A)"; amend redesignated 2.1c by replacing the terms "Regular Standard Mail" with "Standard Mail (A)" and "Regular Periodicals" with "Periodicals"; no other change to text.]

M030 Containers

M031 Labels

* * * * *

4.0 Pallet Labels

* * * * *

4.8 Delivery Unit, SCF, DDU, and DSCF Rates

[Revise 4.8 to read as follows:]

If a 5-digit, 3-digit, or SCF pallet contains copies claimed at Periodicals delivery unit and SCF zone rates, or Standard Mail DDU and DSCF rates, as applicable, the content line of the pallet label must show the designation "DDU/SCF," after the content description.

* * * * *

M032 Barcoded Labels

1.0 Barcoded Tray Labels

1.1 Standards

[Revise 1.1 to read as follows:]

Effective January 1, 1997, barcoded tray labels are required for all mailings of automation rate First-Class Mail flat-size pieces and automation rate First-Class Mail (A) letter-size pieces. Barcoded tray labels may be used before that date and may be used for other trayed mail. Mailer-produced barcoded tray labels must meet the standards below. Revisions to preprinted barcoded labels (e.g., handwritten changes) are not permitted.

* * * * *

2.0 Barcoded Sack Labels

2.1 Standards

[Revise 2.1 to read as follows:]

Effective January 1, 1997, barcoded sack labels are required for all mailings of automation rate Periodicals and Standard Mail (A) flat-size pieces prepared in sacks. Barcoded sack labels may be used before that date and may be used for other sacked mail. Mailer-produced barcoded sack labels must meet the standards below. Revisions to preprinted barcoded labels (e.g., handwritten changes) are not permitted.

* * * * *

M033 Sacks and Trays

[In 1.2a, replace the terms "Regular Periodicals, and Regular and Enhanced Carrier Route Standard Mail (A)" with "Periodicals, and bulk rate Standard Mail (A)"; remove the last sentence of 1.2f; in 1.4, remove the phrase and clause "except for Preferred Periodicals and Nonprofit Standard Mail, which are covered in 3.0 and 4.0"; in 1.7, replace the phrase "Except for Nonprofit Standard and Preferred Periodicals mailings, after" with "After"; revise the heading of 2.0 to read as "First-Class Mail, Periodicals, and Bulk Rate Standard Mail (A)"; remove 3.0 and 4.0; no other change to text.]

M040 Pallets

* * * * *

M045 Palletized Mailings

* * * * *

2.0 Packages

* * * * *

2.2 Size—Periodicals

[Amend 2.2 by replacing the references "M210 and M290" in 2.2a with "M200" to read as follows:]

Package size: Six-piece minimum, 20-pound maximum, except that:

a. Firm packages may contain as few as two copies of a publication and do not have to be consolidated into bundles with other packages to the same 5-digit destination. A firm "package" may be counted as one piece for presort standards (see M200).

* * * * *

[Remove 8.0 and renumber 9.0 as 8.0 with no change to text.]

[Revise the heading of M050 to read as follows:]

M050 Delivery Sequence

[Amend 1.1 by replacing the references "M290 or M693" with "M200 or M620"; no other change to text.]

M070 Mixed Classes

* * * * *

M073 Combined Mailings of Standard Mail Machinable Parcels

[Amend 1.1 by replacing the term "Regular Standard Mail (A)" with "Standard Mail (A)."]

* * * * *

M200 Periodicals (Nonautomation)

[Remove M290; redesignate M210 as M200; amend 1.1, 1.2, and 2.3 (heading and text) by replacing the term "Regular Periodicals" with "Periodicals."]

* * * * *

M600 Standard Mail (Nonautomation)

[Revise the heading of M610 to read as follows:]

M610 Single-Piece and Nonautomation Standard Mail (A)

* * * * *

[Revise the heading of 2.0 to read as follows:]

2.0 Basic Standards—Nonautomation Rates

2.1 All Mailings

[Amend 2.1 by revising the introductory text, 2.1a, and 2.1e to read as follows:]

All nonautomation (Basic and 3/5) rate mailings are subject to these general standards (automation rate Standard Mail must be prepared under M810 or M820, as applicable):

a. Each mailing must meet the applicable standards in E630 and in M010, M020, and M030.

* * * * *

e. Subject to M012, all pieces eligible for and claimed at Nonprofit rates must be marked "Nonprofit Organization" (or "Nonprofit Org." or "Nonprofit"); all other pieces must be marked "Bulk Rate" (or "Blk. Rt."). In addition, pieces may be marked "Single-Piece" (or

"SNGLP") under P600 to correct an incorrect rate marking.

* * * * *

2.3 Exception—Standard Mail (A)

[In 2.3, replace the terms "Regular Standard Mail" with "Standard Mail" and "Regular nonletter nonautomation" with "nonletter nonautomation."]

* * * * *

[Revise the heading of 3.0 to read as follows:]

3.0 Basic Preparation—Nonautomation Rate Letter-Size Pieces

* * * * *

[Revise the heading of 4.0 to read as follows:]

4.0 Optional Preparation—Upgradable Nonautomation Rate Letter-Size Pieces

* * * * *

[Revise the heading of 5.0 to read as follows:]

5.0 Preparation—Nonautomation Rate Flat-Size Pieces and all Irregular Parcels

* * * * *

[Revise the heading of 6.0 to read as follows:]

6.0 Machinable Parcels

* * * * *

[Revise the heading of 7.0 to read as follows:]

7.0 Bedloaded Bundles of Nonautomation Rate Flat-Size Pieces

[Amend 7.1 by replacing the term "Regular nonautomation rate Standard Mail (A)" with "nonautomation rate Standard Mail (A)"; no other change to text.]

M620 Enhanced Carrier Route Standard Mail

1.0 Basic Standards

1.1 All Mailings

[Amend 1.1 by revising 1.1a and 1.1e to read as follows:]

All nonautomation rate Enhanced Carrier Route mailings are subject to these general standards (automation rate Enhanced Carrier Route mailings must be prepared under M810):

a. Each mailing must meet the applicable standards in E630 and in M010, M020, and M030.

* * * * *

e. Subject to M012, all pieces eligible for and claimed at Nonprofit rates must be marked "Nonprofit Organization" (or "Nonprofit Org." or "Nonprofit"); all other pieces must be marked "Bulk Rate" (or "Blk. Rt."). In addition, Basic, High Density, and Saturation rate pieces must each be marked "ECRL0T," "ECRWSH," or "ECRWSS,"

respectively. Pieces not claimed at the corresponding rate must not be marked "ECRL0T," "ECRWSH," or "ECRWSS" unless single-piece rate postage is affixed or a corrective single-piece rate marking is applied under P600.

* * * * *

1.4 Exception—Standard Mail (A)

[Revise 1.4 to read as follows:]

When the size of the pieces in a Standard Mail (A) mailing job enables them to qualify for Standard Mail automation rates as either letters or flats, if part of the job is prepared as palletized flats at automation rates for flats, the remainder may be prepared as palletized flats at Enhanced Carrier Route nonletter rates and nonletter nonautomation rates if the number of nonletter nonautomation rate pieces does not exceed 10% of the total number of pieces in the entire mailing job.

* * * * *

5.0 Residual Mail

[Amend 5.0 by replacing the term "Regular Standard Mail rates" with "Regular or Nonprofit Standard Mail rates, as appropriate" to read as follows:]

Pieces not sorted under 2.0 and either 3.0 or 4.0 must be prepared as a separate mailing at Regular or Nonprofit Standard Mail rates, as appropriate.

* * * * *

[Remove M690, M692, M693, M695, M696, M697, and M698.]

M800 All Automation Mail

[Revise the heading of M810 to read as follows:]

M810 Letter-Size Mail

1.0 Basic Standards

1.1 Standards

[Amend 1.1 by replacing the term "Regular Periodicals" with "Periodicals" in the first sentence to read as follows:]

Letter-size automation rate First-Class Mail, Periodicals, and Standard Mail (A) must be prepared under M810 and the eligibility standards for the rate claimed.* * *

1.2 Mailings

[Amend 1.2 by adding the following sentence to the end of the section to read as follows:]

* * * A Periodicals mailing may not contain both ZIP+4 Classroom pieces and any other automation rate Periodicals.

1.3 Marking

[Revise 1.3 to read as follows:]

Except for Periodicals (which require no markings), all pieces must be marked (subject to M012) "AUTO" or "AUTOOCR" for carrier route rate) and, as appropriate, "Presorted" and "First-Class" if First-Class Mail; "Nonprofit Organization" (or "Nonprofit Org." or "Nonprofit") if Nonprofit or Nonprofit Enhanced Carrier Route Standard Mail; or "Bulk Rate" (or "Blk. Rt.") if Regular or Enhanced Carrier Route Standard Mail. Pieces not claimed at automation rates must not be marked "AUTO" or "AUTOOCR" unless single-piece rate postage is affixed or a corrective single-piece rate marking is applied under P100 or P600.

* * * * *

1.5 Carrier Route

[Amend 1.5 by replacing the reference "E641" with "E640."]

1.6 Scheme Sortation

[Amend 1.6 by adding the following sentence to the end of the section to read as follows:]

* * * Scheme sortation is not available for ZIP+4 Classroom Periodicals.

* * * * *

3.0 Preparation—Periodicals

3.1 Tray Preparation

[Amend 3.1 by revising 3.1b to read as follows:]

Tray size, preparation sequence, and labeling:

* * * * *

b. 3-digit/scheme (3-digit only for ZIP+4 Classroom Periodicals): required (150-piece minimum except no minimum for required origin/optional entry 3-digit(s)/scheme); overflow allowed; for Line 1, use L002, Column B (except use L002, Column A, for ZIP+4 Classroom Periodicals).

* * * * *

3.2 Line 2

[Revise 3.2 to read as follows:]

Line 2: PER or NEWS (as appropriate) LTRS BC (except LTRS UPGR for ZIP+4 Classroom Periodicals) and:

a. For scheme trays: SCHEME (or as shown in L002, Column B).

b. For mixed AADC trays: WKG.

4.0 Documentation

[Amend 4.0 by replacing the reference "M210" with "M200."]

[Revise the heading of M820 to read as follows:]

M820 Flat-Size Mail

1.0 Basic Standards

1.1 Standards

[Amend 1.1 by revising the first sentence to read as follows:]

Flat-size automation rate First-Class Mail, Periodicals, and Standard Mail (A) must be prepared under M820 and the eligibility standards for the rate claimed.* * *

* * * * *

1.4 Marking

[Revise 1.4 to read as follows:]

Except for Periodicals (which require no markings), all pieces must be marked (subject to M012) "AUTO" and, as appropriate, "Presorted" and "First-Class" if First-Class Mail; "Nonprofit Organization" (or "Nonprofit Org." or "Nonprofit") if Nonprofit Standard Mail; or "Bulk Rate" (or "Blk. Rt.") if Regular Standard Mail. Pieces not claimed at automation rates must not be marked "AUTO" unless single-piece rate postage is affixed or a corrective single-piece rate marking is applied under P100 or P600.

1.5 Exception—Standard Mail (A)

[Revise 1.5 to read as follows:]

When the size of the pieces in a Standard Mail (A) mailing job enables them to qualify for Standard Mail automation rates as either letters or flats, if part of the job is prepared as palletized flats at automation rates for flats, the remainder may be prepared as palletized flats at Enhanced Carrier Route nonletter rates and nonletter nonautomation rates if the number of nonletter nonautomation rate pieces does not exceed 10% of the total number of pieces in the entire mailing job.

* * * * *

5.0 Documentation

[Amend 5.0 by replacing the reference "M210" with "M200."]

[Remove M890, M891, M892, M893, M894, M895, M896, M897, and M898.]

P Postage and Payment Methods

P000 Basic Information

P010 General Standards

P011 Payment

1.0 Prepayment and Postage Due

1.1 Prepayment Conditions

[Amend 1.1 by revising 1.1e to read as follows:]

The mailer is responsible for proper payment of postage. Postage on all mail must be fully prepaid at the time of

mailing, except as specifically provided by standard for:

* * * * *

e. Keys and identification devices returned to owners (see E620).

* * * * *

P012 Documentation

* * * * *

[Revise the heading of 2.0 to read as follows:]

2.0 Standardized Documentation—First-Class Mail, Periodicals, and Standard Mail (A)

2.1 Basic Standard

[Amend 2.1 by replacing in the first sentence the terms “Regular Periodicals” with “Periodicals” and “Regular and Enhanced Carrier Route Standard Mail” with “Standard Mail (A)” to read as follows:]

For First-Class Mail, Periodicals, and Standard Mail (A), subject to the standards for the rate claimed, documentation must be produced by software certified under the USPS Presort Accuracy Validation and Evaluation (PAVE) or Manifest Analysis and Certification (MAC) programs, appropriate for the accompanying class of mail and rate claimed, or must be prepared to meet the criteria for standardized documentation in this section. * * *

2.2 Format and Content

[Amend 2.2 by revising the introductory text to read as follows:]

For First-Class Mail, Periodicals, and Standard Mail (A), standardized documentation includes:

* * * * *

2.5 Combined and Copalletized Mailings

[Amend 2.5 by revising the introductory text to read as follows:]

For combined or copalletized mailings of Periodicals and Standard Mail (A) prepared under M045, the listing must show the following additional information:

* * * * *

[Remove 3.0; redesignate 4.0 as 3.0.]

* * * * *

P013 Rate Application and Computation

* * * * *

4.0 Rate Application—Standard Mail (A)

* * * * *

4.3 Bulk Rates

[Revise 4.3 to read as follows:]

Bulk rates are based on the weight of the pieces and are applied differently to pieces weighing less than or equal to a “breakpoint” (rounded to four decimal places) and those weighing more, as follows:

a. The appropriate minimum per piece rate applies to pieces weighing 0.2066 pound (3.3062 ounces) or less (Enhanced Carrier Route rates), 0.2068 pound (3.3087 ounces) or less (Regular rates), 0.2084 pound (3.3348 ounces) or less (Nonprofit Enhanced Carrier Route rates), or 0.2088 pound (3.3407 ounces) or less (Nonprofit rates).

b. A rate determined by adding the appropriate fixed per piece charge and the corresponding variable per pound charge (based on the weight of the piece) applies to pieces weighing more than 0.2066 pound (3.3062 ounces) (Enhanced Carrier Route rates), 0.2068 pound (3.3087 ounces) (Regular rates), 0.2084 pound (3.3348 ounces) (Nonprofit Enhanced Carrier Route rates), or 0.2088 pound (3.3407 ounces) (Nonprofit rates).

* * * * *

P014 Refunds and Exchanges

* * * * *

4.0 Refund Requests for Excess Postage—at Time of Mailing (“Value Added Refunds”)

* * * * *

4.13 Standard Mail (A)

[Replace 4.13, 4.13a, 4.13b, and 4.13c with new 4.13 to read as follows:]

If a value added refund request is submitted when a Standard Mail (A) mailing is presented to the USPS, each piece must be letter-size, weigh less than the applicable maximum weight for automation mail prescribed in C810, be part of an automation rate mailing, and be metered by the presenter or the presenter’s customer at a 3/5 nonautomation rate or at any automation minimum per piece rate. Pieces for each entry must be prepared as a separate mailing if the destination entry rates are claimed.

* * * * *

P040 Permit Imprints

* * * * *

[Revise the heading of 2.0 to read as follows:]

2.0 Permit Imprint Preparation

* * * * *

2.5 References to Expedited Handling

[Amend 2.5 by revising 2.5a to read as follows:]

Except for postcard-size mail and imprints placed on address labels,

permit imprints on bulk rate Standard Mail (A) bearing references to expedited handling or delivery (e.g., “Priority,” “Express,” “Overnight”) must:

a. Show the words “Bulk Rate” (“Blk. Rt.”) or “Nonprofit Organization” (or “Nonprofit Org.” or “Nonprofit”) more prominently than other words in the imprint.

b. Include a clear space of at least 3/8 inch around the entire permit imprint.

* * * * *

4.0 Formats

4.1 Basic Standard

[Amend the Nonprofit Standard Mail examples in Exhibit 4.1b by replacing the endorsement “Carrier Route Presort” with “AUTOOCR.”]

* * * * *

P600 Standard Mail

* * * * *

3.0 Automation Rates

[Revise the heading of 3.1 to read as follows:]

3.1 Payment Methods

[Amend 3.1 by revising the first sentence to read as follows:]

Postage on any mailing made at an automation rate must be paid with meter stamps, permit imprints, or precanceled postage, under applicable standards. * * *

* * * * *

P710 Manifest Mailing System (MMS)

* * * * *

3.0 Keyline

* * * * *

3.3 Rate Category Abbreviations

[Revise 3.3 and Exhibit 3.3b to read as follows:]

Keylines on First-Class Mail or bulk Standard Mail (A) may use only the rate category abbreviations in Exhibit 3.3a or Exhibit 3.3b, respectively. All pieces that qualify for more than one postage rate must show each rate category abbreviation, separated by a “/” (slash) (e.g., EB/DS).

* * * * *

EXHIBIT 3.3b.—RATE CATEGORY ABBREVIATIONS—STANDARD MAIL (A)

Code	Rate category
AV ...	Automation 5-Digit [letters only].
AT	Automation 3-Digit [letters only].
AF	Automation 3/5 [flats only].
AB ...	Automation Basic.
RA ...	3/5.
RB ...	Basic.

EXHIBIT 3.3b.—RATE CATEGORY AB-BREVIATIONS—STANDARD MAIL (A)
Continued

Code	Rate category
EA ...	Enhanced Carrier Route Automation Basic [letters only].
EB ...	Enhanced Carrier Route Basic.
EH ...	Enhanced Carrier Route High Density.
ES ...	Enhanced Carrier Route Saturation.
DB ...	Destination Bulk Mail Center (DBMC).
DD ...	Destination Delivery Unit (DDU).
DS ...	Destination Sectional Center Facility (DSCF).
SP ...	Single-Piece Rate [when fewer than 200 pieces accompany automation rate mail].

* * * * *

P760 First-Class or Standard Mail Mailings With Different Payment Methods

* * * * *

2.0 Postage

* * * * *

2.2 Metered Pieces—Standard Mail (A)

[Revise 2.2 to read as follows:]

Metered pieces in a combined mailing must bear postage at a nonautomation presort or automation rate for which the pieces are eligible. Additional postage due for metered pieces in a combined mailing is deducted from the mailer's postage due advance deposit account. Full postage must be affixed to accompanying single-piece rate mail.

* * * * *

2.4 Precanceled Pieces—Standard Mail (A)

[Revise 2.4 to read as follows:]

Pieces with precanceled stamps in a combined mailing must bear postage in any denomination of precanceled stamp permitted in an automation rate mailing. Nonprofit postage may appear only on pieces in a Nonprofit rate mailing that are eligible for and claimed at a Nonprofit rate. Additional postage due for precanceled stamp pieces in a combined mailing is deducted from the mailer's postage due advance deposit

account. Full postage must be affixed to accompanying single-piece rate mail.

* * * * *

R Rates and Fees

* * * * *

R200 Periodicals

* * * * *

[Revise 2.0, 3.0, and 4.0 to read as follows:]

2.0 Preferred—In-County

2.1 Pound Rates

Per pound or fraction:

Zone	Rate
Delivery Unit	\$0.112
All Others	0.122

2.2 Piece Rates

Per addressed piece:

Presort level	Non-automation	Automation ¹	
		Letter-size	Flat-size
Basic	\$0.081	\$0.081	\$0.081
3/5 .....	.....	.....	0.066
3-Digit .....	.....	0.077	.....
5-Digit .....	.....	0.064	.....
Carrier Route ...	0.043	.....	.....
High Density	0.038	.....	.....
Saturation	0.036	.....	.....

¹ Lower maximum weight limits apply: letter-size at 3 ounces (or 3.3407 ounces for heavy letters); flat-size at 16 ounces.

* * * * *

3.0 Preferred—Nonprofit

3.1 Pound Rates

Per pound or fraction:

a. For the nonadvertising portion: \$0.138.

b. For the advertising portion:

Zone	Rate
Delivery Unit	\$0.169
SCF	0.190
1 & 2	0.214
3	0.224
4	0.251
5	0.292
6	0.336

Zone	Rate
7	0.388
8	0.432

3.2 Piece Rates

Per addressed piece:

Presort level	Non-automation	Automation ¹	
		Letter-size	Flat-size
Basic	\$0.216	\$0.186	\$0.192
3/5	0.171	.....	0.147
3-Digit .....	.....	0.148	.....
5-Digit .....	.....	0.148	.....
Carrier Route ...	0.104	.....	.....
High Density	0.097	.....	.....
Saturation	0.083	.....	.....

¹ Lower maximum weight limits apply: letter-size at 3 ounces (or 3.3407 ounces for heavy letters); flat-size at 16 ounces.

3.3 Discounts

Piece rate discounts:

* * * * *

b. Delivery unit zone piece discount for each addressed piece claimed in the pound rate portion at the delivery unit zone rate: \$0.012.

c. SCF zone piece discount for each addressed piece claimed in the pound rate portion at the SCF zone rate: \$0.006.

4.0 Preferred—Classroom

4.1 Pound Rates

Per pound or fraction:

a. For the nonadvertising portion: \$0.110.

b. For the advertising portion:

Zone	Rate
Delivery Unit	\$0.180
SCF	0.191
1 & 2	0.212
3	0.223
4	0.250
5	0.292
6	0.335
7	0.388
8	0.432

4.2 Piece Rates

Per addressed piece:

Presort level	Nonautomation	ZIP+4 Letter-size	Barcoded ¹	
			Letter-Size	Flat-Size
Basic	\$0.169	\$0.162	\$0.152	\$0.146
3/5	0.126	0.122	.....	0.111
3-Digit .....	.....	.....	0.116	.....
5-Digit .....	.....	.....	0.109	.....
Carrier Route	0.088	.....	.....	.....
High Density	0.086	.....	.....	.....
Saturation	0.081	.....	.....	.....

¹ Lower maximum weight limits apply: letter-size at 3 ounces (or 3.3407 ounces for heavy letters); flat-size at 16 ounces.

* * * * * 5.0 Preferred—Science-of-Agriculture R600 Standard Mail
 [Revise the heading of 5.0 to read as follows:] * * * * * [Revise 5.0 to read as follows:]
 5.0 Nonprofit

5.1 Letter-Size Minimum Per Piece Rates—Pieces 0.2088 lb. (3.3407 oz.) or Less

Entry discount	Nonautomation		Automation ¹		
	Basic	3/5	Basic	3-Digit	5-Digit
None	\$0.132	\$0.114	\$0.099	\$0.095	\$0.082
DBMC	0.119	0.101	0.086	0.082	0.069
DSCF	0.114	0.096	0.081	0.077	0.064
DDU					

¹ Pieces weighing over 3 ounces subject to additional standards.

5.2 Nonletter-Size Minimum Per Piece Rates—Pieces 0.2088 lb. (3.3407 oz.) or Less

Entry discount	Nonautomation		Automation ¹	
	Basic	3/5	Basic	3/5
None	\$0.195	\$0.149	\$0.171	\$0.125
DBMC	0.182	0.136	0.158	0.112
DSCF	0.177	0.131	0.153	0.107
DDU				

¹ Available only for automation-compatible flats.

5.3 Piece/Pound Rates—Pieces More Than 0.2088 lb. (3.3407 oz.)

Piece/pound rate ¹	Nonautomation		Automation ²	
	Basic	3/5	Basic	3/5
Per Piece	\$0.100	\$0.048	\$0.076	\$0.024
Per Pound (includes entry discount if applicable)	Plus	Plus	Plus	Plus
None	\$0.455	\$0.484	\$0.455	\$0.484
DBMC	0.393	0.422	0.393	0.422
DSCF	0.367	0.396	0.367	0.396
DDU				

¹ Each piece is subject to both a piece rate and a pound rate.

² Available only for automation-compatible flats.

[Redesignate 6.0 through 11.0 as 7.0 through 12.0, respectively, with no change to text; add new 6.0 to read as follows:] 6.0 Nonprofit Enhanced Carrier Route

6.1 Letter-Size Minimum Per Piece Rates—Pieces 0.2084 lb. (3.3348 oz.) or Less

Entry discount	Nonautomation			Automation ¹
	Basic	High density	Saturation	Basic
None	\$0.087	\$0.081	\$0.075	\$0.079
DBMC	0.074	0.068	0.062	0.066
DSCF	0.069	0.063	0.057	0.061
DDU	0.063	0.057	0.051	0.055

¹ Pieces weighing over 3 ounces subject to additional standards.

6.2 Nonletter-Size Minimum Per Piece Rates—Pieces 0.2084 lb. (3.3348 oz.) or Less

Entry discount	Basic	High density	Saturation
None	\$0.107	\$0.100	\$0.094
DBMC	0.094	0.087	0.081
DSCF	0.089	0.082	0.076
DDU	0.083	0.076	0.070

6.3 Piece/Pound Rates—Pieces More Than 0.2084 lb. (3.3348 oz.)

Piece/pound rate ¹	Basic	High density	Naturation
Per Piece	\$0.013	\$0.006	\$0.000
Per Pound (includes entry discount if applicable)	Plus	Plus	Plus
None	\$0.451	\$0.451	\$0.451
DBMC	0.389	0.389	0.389
DSCF	0.363	0.363	0.363
DDU	0.337	0.337	0.337

¹ Each piece is subject to both a piece rate and a pound rate.

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[Revise redesignated 10.0 to read as follows:]

10.0 Library Mail

Weight not over (pounds)	Single-piece	Weight not over (pounds)	Single-piece	Weight not over (pounds)	Single-piece
1	\$1.12	24	\$7.32	47	\$12.38
2	1.53	25	7.54	48	12.60
3	1.94	26	7.76	49	12.82
4	2.35	27	7.98	50	13.04
5	2.76	28	8.20	51	13.26
6	3.17	29	8.42	52	13.48
7	3.58	30	8.64	53	13.70
8	3.80	31	8.86	54	13.92
9	4.02	32	9.08	55	14.14
10	4.24	33	9.30	56	14.36
11	4.46	34	9.52	57	14.58
12	4.68	35	9.74	58	14.80
13	4.90	36	9.96	59	15.02
14	5.12	37	10.18	60	15.24
15	5.34	38	10.40	61	15.46
16	5.56	39	10.62	62	15.68
17	5.78	40	10.84	63	15.90
18	6.00	41	11.06	64	16.12
19	6.22	42	11.28	65	16.34
20	6.44	43	11.50	66	16.56
21	6.66	44	11.72	67	16.78
22	6.88	45	11.94	68	17.00
23	7.10	46	12.16	69	17.22
.....	70	17.44

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Stanley F. Mires,
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