

POSTAL SERVICE**39 CFR Part 111****Revisions to Standards for Palletization****AGENCY:** Postal Service.**ACTION:** Proposed rule.

SUMMARY: This proposed rule modifies previously published proposed revisions to the Domestic Mail Manual (DMM) standards concerning the preparation of mail on pallets. See 59 FR 42536-42540 (August 18, 1994). As a result of further review of postal operating needs and comments received in response to the proposal, both in writing and at a public meeting, the Postal Service has modified its original proposal and has decided to provide additional opportunity for comment.

This proposed rule is intended to establish certain basic preparation standards, such as levels of sortation and maximum pallet loads, that mailers will be required to meet for all classes of mail. Mailers will have more flexibility in other areas of pallet preparation, such as top-capping, stacking, pallet box construction, absolute minimum volumes, and stretchwrapping of pallets.

DATES: Comments must be received on or before August 30, 1995.

ADDRESSES: Written comments should be mailed or delivered to the Manager, Business Mail Acceptance, U.S. Postal Service, 475 L'Enfant Plaza SW, Room 8430, Washington, DC 20260-6808.

Copies of all written comments will be available for inspection and photocopying between 9 a.m. and 4 p.m., Monday through Friday, in room 8430 at the above address.

FOR FURTHER INFORMATION CONTACT: Cheryl Beller, (202) 268-5166.

SUPPLEMENTARY INFORMATION: The proposed revised makeup standards grew out of the proposed rule published in the **Federal Register** on August 18, 1994 (59 FR 42536-42540). These standards are based both on current Postal Service processing needs and safety concerns and on mailers' comments concerning their processing abilities, service needs, and transportation methods.

1. General

This proposed rule is intended to establish certain basic preparation standards, such as levels of sortation and maximum pallet loads, that mailers will be required to meet for all classes of mail. Mailers will have more flexibility in other areas of pallet preparation, such as top-capping,

stacking, pallet box construction, absolute minimum volumes, and stretchwrapping of pallets.

Pallet loads may be prepared according to best industry practices, provided that these standards result in pallets that can be handled safely and that maintain their integrity throughout transportation and postal processing. Recommended guidelines, developed by Postal Service Engineering, will also be published in the DMM for those mailers seeking assistance in establishing optimal preparation methods to ensure that their products arrive at the proper destinations in the condition expected.

The use of pallets that are not provided by the Postal Service and that are not prepared to the required levels of sortation (sometimes referred to as "courtesy pallets") is recognized as a key issue to many mailers. A revised policy regarding the definition, preparation, and acceptance of such pallets is included in the new proposed rule published below.

The Postal Service will rely on a consistent mechanism to enforce standards and provide feedback to those mailers who are not preparing pallets in a manner that maintains the integrity of loads throughout transportation and processing. Under the revised proposed standards, all pallets presented to the Postal Service for acceptance, whether the pallets are provided by the Postal Service or the mailer, must meet the basic standards in the DMM pertaining to the following:

- a. Pallet labels.
- b. Physical pallet dimensions (40 inches by 48 inches, designed for four-way entry, etc.).
- c. Pallet load integrity, stacking, and minimum and maximum loads and heights.
- d. Package, sack, and tray preparation.
- e. Permissible levels of sortation applicable to the class and type of mail placed on the pallets.

The flexibility in pallet minimum weights and the increase in maximum pallet height and tiers of trays described below should promote and facilitate mailers' adherence to makeup requirements. Exceptions for acceptance of pallets that do not meet basic DMM standards for height, weight, safety, load integrity, and permissible levels of sortation undermine efforts to assure safe and efficient handling of palletized loads. Such exceptions will not be permitted. (See section 8, Pallets Not Prepared to Finest Depth of Sort, which provides some relief for mailers who currently have difficulty preparing mailings on pallets to the required levels of sortation.)

In addition, the Postal Service will consider individual pallet shipments that are entered under the plant-verified drop shipment (PVDS) program to be bedloaded if the load integrity of the pallets is compromised when they are presented for acceptance at a destination entry postal facility, such that the shipment requires driver unloading.

The Postal Service will establish a standardized system to monitor load integrity of customers' pallets at mailers' plants where mailings are prepared (when mail is verified by on-site postal personnel) and at postal facilities where mailings are entered and will inform mailers when their preparation methods result in pallets that do not meet the basic pallet integrity and safety standards (for example, the load on pallet is not secure, has toppled, is leaning, or exceeds the maximum weight or height restrictions). In conjunction with a steering committee of customers, the Postal Service is currently formulating specific standards for identifying, quantifying, handling, and providing feedback regarding pallet load integrity problems and requests comments on that issue. Where possible, this feedback system will be incorporated into the existing Drop Shipment Appointment System (DSAS).

After notification and an opportunity to make changes to improve load integrity, if the mailer's methods still do not work, the mailer will be required to meet the specifications developed by Postal Service Engineering for strapping of single pallets, stretchwrapping of pallets, pallet box construction and dimensions, stacking of pallets, maximum height/tiers of trays, and top-cap use. The specifications were published in the original proposed rule and are included in the proposed DMM revisions that follow. Mailers will be suspended from the pallet program if their pallets continue to fail to meet the minimum load integrity levels that Postal Service Engineering specifications are aimed to reach.

2. Bulk Mail Center Processing Needs

The proposed sortation and preparation standards described below will address existing capacity constraints and keep the bulk mail center (BMC) network flowing smoothly by moving as much mail as possible farther into the distribution network through pallet cross-dock operations.

These standards will further the Postal Service's current priority of providing relief to the BMCs for processing packages of flats and trayed letter mail. Relaxed standards on pallet minimum and maximum load size for

these mail types will provide the most relief to the BMCs without extending Postal Service pallet-handling resources beyond supportable limits.

The initial proposal to require that all trays on BMC pallets and working pallets must be strapped, regardless of where the pallets are deposited, remains unchanged. Mailers will not be required to strap trays placed on pallets made up to finer levels of sortation. This option will provide an inducement to mailers to prepare pallets to the finest depth of sort, allowing for greater cross-dock opportunities at the BMCs and providing relief for BMC operations heavily affected by unstrapped trays.

The requirement that exists in current regulations to sleeve all trays containing letter-size automation rate mail that does not originate and destinate in the delivery area of the same SCF and that may be processed at a BMC or AMF is extended to include trays containing non-automation rate letter-size mail.

3. Height and Weight Restrictions

The maximum weight for any single pallet or any pallets stacked together (pallets and mail) is 2,200 pounds as originally proposed.

Pallet maximum height restrictions are increased to 84 inches for stacked pallets as well as for single pallets with pallet boxes. Pallet loads exceeding 84 inches, however, pose safety concerns and handling problems because of the heights of dock doors and ceilings within postal facilities and the heights of doors and internal spaces within Postal Service trailers and other vehicles. This change is more consistent with current practices of many mailers using pallet boxes and stacking smaller pallets to make optimum use of transportation for drop shipping and is an increase from the initial proposed maximum of 77 inches for all pallets including stacked pallets.

The maximum height for single pallets containing packages or sacks (not placed in pallet boxes) will remain at 77 inches as originally proposed. This height limit should not negatively impact mailers because packages on pallets will usually reach the weight maximum of 2,200 pounds before reaching the height limit.

If the Postal Service identifies any non-BMC postal facilities that cannot accommodate a pallet load as high as 84 inches because of physical limitations (for example, low dock door or ceiling heights or other physical obstructions), mailers participating in the plant-verified drop shipment (PVDS) program will be advised of these limitations when they make appointments to deposit mailings. In any such limited

situation, mailers may be asked to prepare pallets less than 84 inches high until the plants are modified to accept standard pallet loads.

Under the revised rules for packages, parcels, and sacks on pallets, mailers must prepare a required level of pallet when they have 500 pounds of mail for that destination. When smaller loads are desirable, mailers may prepare pallets for any required or optional levels of sortation when they have from 250 to 499 pounds of mail for a destination. The minimum weight used to build pallet loads may vary from 250 to 500 pounds for pallets within a single mailing. The original proposal required pallet preparation at 250 pounds.

Trays of letter-size mail on pallets are prepared based on the number of tiers. The revised rules give mailers the option of preparing a pallet when they have from three to five tiers of 1- or 2-foot managed mail (MM) or extended managed mail (EMM) trays with a mandatory preparation requirement at six tiers. The minimum may vary for pallets within a single mailing.

The maximum load for trays on pallets is 12 tiers, not to exceed 2,200 pounds gross. The original proposal would have required mailers to prepare a pallet when they had three tiers of MM trays or two tiers of EMM trays for a required level of sortation.

When placing trays on pallets, mailers must take extra precautions to place the fullest trays on the bottom and the least full trays on top to avoid crushing the lower trays and causing the entire load to topple.

Mailers are reminded that under the Postal Service's guidelines for the plant-verified drop shipment (PVDS) program, the driver is required to unload mail entered at delivery units. In some instances, this unloading requires breaking down palletized loads because of the physical limitations of a delivery unit such as small or congested offices that cannot accommodate large or stacked pallets.

4. Stacking Pallets

The Postal Service is proposing to allow mailers to double-stack or triple-stack pallets up to the maximum allowable height and weight (84 inches/2,200 pounds total for the stacked pallets), provided that such pallets are presented for acceptance at the mailer's plant or a postal facility in a manner that ensures safe and efficient unloading, handling, and transporting. Triple-stacking will allow mailers to make better use of transportation for drop shipments when low-weight pallets are prepared.

When stacking pallets, the mailer must place the heaviest pallet on the bottom and the lightest pallet on the top to prevent crushing or other damage to mail on the bottom. If part of the load is crushed, the entire load is likely to collapse.

Stacked pallets must be top-capped (except for the top pallet) and banded together. The top caps must provide a flat surface for safe and efficient stacking and must be of sufficient quality to maintain the integrity of the load and protect the mailpieces. The Postal Service will closely monitor the preparation of all stacked pallets, particularly those that are triple-stacked, to ensure that they can be handled safely and without damage to the mail on the pallets.

Whenever possible, Mailers are requested to place pallets for the same processing facility together to facilitate moving as much mail as possible directly into cross-dock operations at BMCs for further movement into the distribution network.

5. Pallet Boxes

Pallet boxes may be used to hold parcels and sacks. The revised proposal allows mailers to use pallet boxes constructed of single-wall or double-wall corrugated fiberboard, as well as triple-wall corrugated fiberboard, provided that the pallet box and its load maintain their stability and integrity throughout transportation and postal processing. In the original proposal, mailers were required to use pallet boxes constructed of triple-wall corrugated fiberboard.

The height of pallet boxes will not be limited except by the maximum combined pallet, box, and mail load (contents of the box) height of 84 inches or by those non-BMC postal facilities that do not have equipment for handling or unloading full-size pallet boxes (boxes more than 60 inches high).

Boxes must be secured to the pallet to ensure that they can be safely unloaded from vehicles (and reloaded, if necessary) and processed as a single unit to the point where the contents are distributed. The mail must be evenly distributed within the pallet box so that the load does not shift in transit and cause the box to break, topple, or fall off the pallet in transit or during processing.

The flexibility in box construction will provide mailers with the opportunity to use boxes that are compatible with those used in their other manufacturing processes and to minimize costs. However, if the Postal Service notifies a mailer that the mailer's pallet boxes continually fail to

remain intact or that the loads in any way do not meet the basic pallet integrity standards (for example, the load on pallet is not secure or completely contained, has toppled, is leaning, or exceeds the maximum weight or height restrictions), the mailer will be required to meet the Postal Service preparation standards developed by Postal Service Engineering, including the use of triple-wall corrugated fiberboard boxes.

6. Top-Capping

Under the new proposal, mailers are required to top-cap only stacked pallets (the bottom pallet if pallets are presented to the Postal Service double-stacked; the bottom and middle pallets if pallets are presented triple-stacked). Mailers may determine the best method for ensuring pallet integrity and will have the opportunity to use manufacturing materials that already come into their plants as top-capping material. Mailers must not use flimsy paper obtained from ends of paper rolls or similar material as top caps because this material, used alone, can cause stack failure.

The Postal Service's original proposal required top caps meeting strict Postal Service Engineering construction standards on all pallets other than on full-size pallet boxes. Mailers will be required to meet these strict standards only after they are informed by the Postal Service that their methods do not ensure the integrity of mail on pallets that they prepare.

7. Pallet Strapping

The original proposal to require mailers to strap or band (the terms are used interchangeably) all pallets is also

relaxed. Depending on the characteristics of a mail load, strapping might not be the most effective method of ensuring load integrity throughout transportation and processing.

Loads can compress themselves during storage in a mailer's plant or while in transit, causing strapping to become loose. In those instances, stretchwrap can be more effective in securing loads on a single pallet.

Mailers are required to strap all stacked pallets together with at least two straps. The strap must be plastic or metal at least $\frac{1}{2}$ inch wide. The minimum breaking strength for plastic strapping must be at least 800 pounds and for metal strapping at least 1,200 pounds. These minimums ensure that the strapping does not break and cause injuries to postal employees handling pallets.

8. Pallets Not Prepared to Finest Level of Sort

The Postal Service recognizes that some mailers have difficulty preparing mailings on pallets to the proposed required levels of sortation and that these mailers will need an opportunity to make necessary changes to their systems and to work with their customers to generate mailings in a manner that is more compatible with placing the mailings onto the required levels of pallets.

To accommodate these needs, the Postal Service will allow mailers to place mailings onto pallets that are not prepared to the required finest levels of sortation for a period not to exceed 6 months from the effective date of the final rule implementing this proposed rule.

Regardless of the level of sortation and whether postal or mailer-provided pallets are used, all pallets must meet all other DMM standards for preparation and labeling based on the class and type of mail.

During this 6-month transition, mailers will be required, at a minimum, to sort individual mailings (a mailing represented by a single mailing statement) to a destination BMC (state distribution center (SDC) for second-class mail) when there are 500 pounds or more of mail (or six tiers of trays) within a single mailing to that BMC/SDC if mailings are presented to destination entry offices under the PVDS program.

Remaining mail may be sacked or bedloaded or placed onto residual or working pallets properly labeled to the origin BMC/SDC or plant (see section 10, Pallet Sortation). Mailers will be required to comply with all DMM standards after the 6-month phase-in.

9. Placement of Automation and Non-Automation Rate Letter-Size Mailings in Trays on Pallets

Mailers may place trays from letter-size automation rate mailings onto pallets together with trays from letter-size non-automation rate mailings prepared to any level of sortation except the optional 5-digit level. This placement will allow mailers to achieve finer levels of sortation using fewer pallets.

10. Pallet Sortation

The proposed required and optional sortations, which are consistent with national distribution network policy changes, are shown in the following chart.

Class and category	Sortation
2C/3C letter-size mail (in trays/sacks on pallets)	Required: SCF, BMC ¹ (3C)/SDC(2C). Optional: 5D, ADC, working pallet. ²
2C/3C/4C flats, irregular parcels, and outside parcels	Required: 5D, SCF. Optional: 3D, ADC, BMC ¹ (3C/4C)/SDC(2C), working pallet. ²
3C/4C machinable parcels	Required: 5D, BMC. ¹ Optional: working. ²

¹ Or ASF for third-class and fourth-class DBMC discounts, as applicable.

² Origin BMC(3C/4C)/SDC(2C) or plant pallet for residual mail. Labeled to BMC/SDC or plant serving post office where mailings are entered (accepted) into mailstream. May be prepared after all required and optional levels of pallets are prepared. Limited to 10 percent of total pallets in any mailing or job. When insufficient volume to prepare finer levels of required pallets for a mailing or job, working pallets for non-PVDS mailings may be prepared in excess of 10 percent limit (all possible optional BMC/SDC pallets must be prepared first, where applicable).

The proposed option to prepare area distribution center (ADC) pallets for mail other than machinable parcels will improve processing opportunities.

Current DMM standards preclude mailers from placing onto pallets SDC, state, and mixed-states packages of second-, third-, and fourth-class mail and trays of residual mail from

automation-rate mailings. SDC, state, and mixed-states packages are generally placed into sacks.

These sacks, like trays of residual mail, may not be placed onto an authorized level of pallet and are generally bedloaded, placed loose in a vehicle on top of authorized pallets, or placed onto unauthorized or "courtesy

pallets" for transport to an entry postal facility.

Because of these restrictions, some mailers cannot create 100 percent palletized mailstreams and these mailers might have to retain sacking operations for a small portion of their mail, while preparing the balance as packages placed directly onto pallets.

These operational inefficiencies also affect the Postal Service when these partially palletized loads are unloaded from vehicles at entry or downstream postal facilities.

In order to provide mailers with additional opportunities to eliminate split production lines (for example, packages on pallets and packages in sacks), the new proposed rule allows mailers to palletize trays of residual letter-size mail and to place SDC, state, and mixed-states packages of flats meeting the package preparation standards for packages onto pallets.

Trays of residual mail from automation mailings may be placed onto the appropriate level of pallet where possible (for example, AADC trays on ADC or BMC pallets). Trays of working mail and SDC, state, and mixed-states packages may be placed onto working pallets labeled to the origin BMC or SDC or to the plant serving the office where mailings are entered.

As noted above, working pallets must not exceed 10 percent of the total number of pallets for a single mailing or job. These working pallets must be loaded to the maximum to minimize pallet handlings.

When placing mail onto pallets, if there is a conflict between the labeling lists (service area ZIP Codes) of the container (for example, tray or sack) and the pallet on which it is placed (for example, the range of ZIP Codes assigned to a single SCF or a single AADC may be assigned (split) to two or more BMCs), mailers must place the container onto the pallet for the facility serving the ZIP Code on the destination (top) line of the container. Any applicable destination entry discounts may be claimed for mail properly palletized in this manner.

Although exempt from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b), 553(c)) regarding proposed rulemaking by 39 U.S.C. 410(a), the Postal Service invites comments on the following proposed revisions of the Domestic Mail Manual, incorporated by reference in the Code of Federal Regulations. See 39 CFR part 111.

List of Subjects in 39 CFR Part 111

Postal Service.

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 units of the Domestic Mail Manual as noted below:

E—Eligibility

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E300 THIRD-CLASS MAIL

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E333 CARRIER ROUTE PRESORT

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3.0 PRESORT

[Introductory paragraph 3.1 previously revised in Postal Bulletin 21888, March 2, 1995, as follows:]

3.1 Qualifying Mail

Each qualifying piece must be part of a group of 10 or more addressed pieces correctly packaged to the same carrier route that is, in turn, correctly placed in a carrier route, 5-digit carrier routes, or 3-digit carrier routes tray or sack. Such trays must be full; sacks must contain at least 125 addressed pieces or 15 pounds of addressed pieces. Qualifying mail also includes:

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[Add new 3.1c as follows:]

c. Correctly presorted carrier route packages correctly sorted to the appropriate level of pallet.

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E350 Destination Entry Discounts

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3.0 Deposit

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[Revise the heading and introductory paragraph of 3.8 as follows:]

3.8 Unloading

The unloading of vehicles is subject to these conditions:

[Add new 3.8a and redesignate current 3.8a through 3.8c as 3.8b through 3.8d, respectively.]

a. Properly prepared containerized loads (e.g., pallets) are unloaded by the USPS at BMCs, ASFs, and SCFs. The USPS does not unload or permit a mailer/mail agent to unload containerized loads that have not maintained their integrity in transit. [Amend redesignated 3.8b by deleting the second sentence as follows:]

b. At delivery units, the driver must unload containerized drop shipments within 1 hour of arrival.

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E400 FOURTH-CLASS MAIL

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E416 Special Fourth-Class Rates

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2.0 SPECIAL FOURTH-CLASS PRESORT

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[Revise the first sentence of the introductory paragraph of 2.6 (previously revised and redesignated from 2.5 to 2.6 in Postal Bulletin 21884, January 5, 1995) as follows:]

2.6 Level A

To qualify for the special fourth-class presort level A rate, a piece must be in a mailing of at least 500 pieces receiving identical service, properly prepared and presorted under M404 in full 5-digit sacks or under M044 on 5-digit pallets. These conditions also apply:

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[Revise the first sentence of 2.7 (previously revised and redesigned from 2.6 to 2.7 in Postal Bulletin 21884, January 5, 1995) as follows:]

2.7 Level B

To qualify for the special fourth-class presort level B rate, a piece must be in a mailing of at least 500 pieces receiving identical service, properly prepared and presorted under M404 in full or substantially full bulk mail center (BMC) sacks or under M044 on destination BMC pallets. Mailings of at least 500 nonmachinable outside parcels may qualify for presort level B if made up to preserve presort by BMC as prescribed by the mailing office postmaster. The postmaster may require up to a 24-hour notice before the mailing is presented.

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E450 DESTINATION BMC/ASF DISCOUNT

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3.0 DEPOSIT

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[Revise the introductory paragraph of 3.8 as follows:]

3.8 Unloading

The unloading of DBMC mailings is subject to these conditions:

[Revise 3.8a as follows:]

a. Properly prepared containerized loads (e.g., pallets) are unloaded by the USPS. The USPS does not unload or permit a mailer/mail agent to unload containerized loads that have not maintained their integrity in transit.

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L—Labeling Lists

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[Revise the heading of L101 as follows:]

L101 ADCs—PRESORTED FIRST-CLASS, ALL ZIP+4 BARCODED FLAT-SIZE MAILINGS, AND ALL ADC PALLETS

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M—Mail Preparation and Sortation**M000 GENERAL PREPARATION STANDARDS**

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M030 Container Preparation**M031 Labels**

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[Amend 4.8 by deleting the words "optional city" in the first sentence as follows:]

4.8 Delivery Office, SCF, DDU, and DSCF Rates

If a 5-digit, 3-digit, or SCF pallet contains copies claimed at second-class delivery office and SCF zone rates, or third-class DDU and DSCF rates, as applicable, the contents line of the pallet label must show the designation DDU/SCF, after the description of the contents.

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M033 Sacks and Trays**1.0 BASIC STANDARDS**

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[Add new 1.4 and 1.5 as follows:]

1.4 Sleeving and Strapping

Except under 1.5, each letter mail tray must be sleeved. All nonpalletized trays of letter mail transported from the mailer's plant to a BMC, ASF, or AMF on USPS or mailer transportation and all trays placed on BMC or mixed BMC/SDC pallets must also be secured by a plastic strap placed tightly around the length of the tray. The strap must not crush the tray or sleeve. Strapping is not required on trays placed on pallets prepared to finer levels of sortation.

1.5 Sleeving Exception

When all pieces in a mailing originate and destinate in the delivery area of the same SCF and the trays containing those pieces are not processed at a BMC or AMF, the processing and distribution manager may (on request) issue a written authorization to the mailer to submit the mailing in trays without sleeves.

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[Revise the heading of 3.0 as follows:]

3.0 BASIC STANDARDS FOR TRAYS—AUTOMATION RATES

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[Delete current 3.6 and 3.7.]

M040 Palletization

[Revise the heading of M041 as follows:]

M041 Standards for Palletized Mailings

[Revise the heading of 1.0 as follows:]

1.0 PHYSICAL PALLET CHARACTERISTICS

[Amend 1.1 by deleting "and a volume of up to 65 cubic feet" in the second sentence as follows:]

1.1 Construction

Whether provided by the USPS or mailer, all pallets in a palletized mailing must be made of high-quality material. Pallets must be designed to hold loads equal to a gross weight of 2,200 pounds.

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[Revise the heading of 1.4 and amend the section by adding "Except for pallet boxes under 4.3," as follows:]

1.4 Stretchwrap

Except for pallet boxes under 4.3, loaded pallets of mail must be wrapped with shrinkable or stretchable plastic strong enough to retain the integrity of the pallet during transportation and handling.

[Add new 1.5 and 1.6 as follows:]

1.5 Nonstandard Pallets Prohibited

All mail on pallets presented to the USPS, whether on postal pallets or mailer-provided pallets, must meet the standards in 1.1 through 1.4 and the standards applicable to the class and type of mail placed on the pallets.

1.6 Nonconforming Mailers

The USPS informs mailers when their preparation methods result in pallets that fail to meet the basic pallet integrity and safety standards (e.g., load on pallet is not secure, has toppled, is leaning, exceeds the maximum weight or height restrictions). Where possible, this feedback system is incorporated into the existing Drop Shipment Appointment System (DSAS). Once notified and given an opportunity to make changes to improve load integrity, if a mailer—*s* methods do not work, the mailer is considered nonconforming and is required to meet the specifications in 2.0 through 5.0 for nonconforming mailers for top-cap use, stacking of pallets, pallet box construction, and maximum height/tiers of trays. Mailers are suspended from the pallet program if their pallets continue to fail to meet the minimum load integrity levels.

[Revise current 2.0 as follows:]

2.0 TOP CAPS**2.1 Use**

Top caps are required on the lower pallet(s) when pallets are stacked. Pallets that are not stacked when presented to the USPS for acceptance are not required to be top-capped. Flimsy paper (e.g., the ends of paper rolls) or similar material must not be

used alone as a top cap. Any other material that protects the integrity of the mail may be used.

2.2 Securing

When used, a top cap must be secured to the pallet, horizontal to the plane of the pallet, with strapping, banding, or stretchwrap strong enough to keep the cap in place so that it protects the mail and maintains the integrity of the pallet load. At least two straps are required.

2.3 Nonconforming Mailers

Nonconforming mailers (see 1.6) must use top caps on all loaded pallets, regardless of weight, holding letter trays (MM and EMM) of mail, packages of mail, and bricklaid parcels. Top caps are not required on loaded pallets, regardless of weight, holding either sacks or parcels contained in fiberboard pallet boxes prepared under 4.0. Top caps must be approximately 48 inches long, 40 inches wide, and meet any of these construction standards:

a. Five wood boards with uniform edges and nine-leg pallet contact for stacking.

b. Fiberboard box end style, with minimum 3-inch side, with wall material a minimum of double-wall corrugated fiberboard C and/or B flute.

c. Fiberboard honeycomb covered on both sides with heavy linerboard, minimum 1/2 inch thick.

d. Corrugated fiberboard C flute sheet covering the entire top of the load with standard pallet solid fiberboard corner edge protectors.

[Amend current 3.0 by combining current 3.1 and 3.2 and adding new 3.2 and 3.3 as follows:]

3.0 STACKING PALLETS**3.1 Double- or Triple-Stacking**

Pallets may be double- or triple-stacked if the combined gross weight of the stacked pallets is not more than 2,200 pounds; the heaviest pallet is on the bottom and the lightest pallet is on the top; the pallets are banded together with appropriate strapping material to maintain their integrity during transportation and handling; each lower pallet is top-capped; and the combined height of the stacked pallets is not more than 84 inches.

3.2 Same Facility

Pallets for the same processing facility should be stacked together when possible.

3.3 Nonconforming Mailers

Nonconforming mailers (see 1.6) who stack pallets must do so as follows:

a. Pallets may be double-stacked if the combined gross weight of the stacked

pallets is not more than 2,200 pounds; the heavier pallet is on the bottom; the pallets are banded together with appropriate strapping material to maintain their integrity during transportation and handling; and the combined height of the stacked pallets is not more than 77 inches. Pallets of sacks not placed in fiberboard boxes must not be double-stacked.

b. Pallets holding MM or EMM trays of letter-size mail or bricklayered parcels may be triple-stacked if the combined gross weight of the stacked pallets is not more than 2,200 pounds. No other type of pallet may be triple-stacked. The heaviest pallet must be on the bottom and the lightest on the top; the pallets must be banded together with appropriate strapping material to maintain their integrity during transportation and handling; and the combined height of the stacked pallets must not be more than 77 inches.

[Redesignate current 4.0 as 5.0; add new 4.0 as follows:]

4.0 PALLET BOXES

4.1 Use

Mailers may use pallet boxes constructed of single-, double-, or triple-wall corrugated fiberboard placed on pallets to hold sacks or parcels prepared under M042, M043, or M044. The box must protect the mail and maintain the integrity of the pallet load throughout transportation, handling, and processing.

4.2 Maximum Height

The combined height of the pallet, pallet box, and mail must not be more than 84 inches. The USPS may restrict the use of pallet boxes more than 60 inches high at non-BMC postal facilities that do not have equipment for handling or unloading such containers.

4.3 Securing

A pallet box must be secured to the pallet base with strapping, banding, stretchable plastic, shrinkwrap, or by any other means that ensures that the pallet can be safely unloaded from vehicles (and reloaded, if necessary) and processed as a single unit to the point where the contents are distributed. The mail must be evenly distributed within the pallet box so that the load remains intact and does not shift in transit causing the box to break, topple, or fall off the pallet in transit or during processing.

4.4 Nonconforming Mailers

Nonconforming mailers (see 1.6) may use pallet boxes only if constructed of triple-wall corrugated fiberboard (C and/

or B flute) material with a maximum height of 77 inches.

[Revise the heading of redesignated 5.0 as follows:]

5.0 PALLET PREPARATION

[Revise redesignated 5.1 as follows:]

5.1 Presort

Pallet preparation and sortation is subject to the specific standards in M042 through M048. Pallet sortation is intended to presort the palletized portion of a mailing to at least the finest extent required for the rate claimed. Generally, pallet sortation is sequential from the lowest (finest) level to the highest and must be completed at each required level before the next optional or required level is prepared. As applicable, presort levels and standard preparation terms for pallets are defined in M020, M042, M043, M044, and M048.

[Revise redesignated 5.2 as follows:]

5.2 Minimum Load

In a single mailing, the minimum load per pallet is 250 pounds (of second-, third-, and fourth-class packages, parcels, and sacks); or three layers of MM or EMM trays (of second- or third-class letter-size mail).

[Renumber redesignated 5.3 as 5.7; add new 5.3, 5.4, 5.5, and 5.6 as follows:]

5.3 Required Preparation

Pallets are prepared as follows:

a. A pallet must be prepared to a required level of sortation whenever there are 500 pounds of mail (for second-, third-, and fourth-class packages, sacks, and parcels) or six layers of MM or EMM trays (for second- and third-class letter-size mail).

b. Up to 10 percent of the total pallets in any mailing or job may be working pallets labeled to the BMC (third- or fourth-class mail) or SDC (second-class mail) serving the post office where mailings are entered (accepted) into the mainstream. The processing and distribution manager may issue a written authorization to the mailer to label working pallets to the post office or processing and distribution center serving the post office where mailings are entered. For non-PVDS mailings, the 10 percent limit may be exceeded when finer levels of pallets could not be prepared.

5.4 Maximum Weight

The maximum weight is 2,200 pounds (mail and pallet) for all pallets.

5.5 Maximum Height

The combined height of a single pallet and its load must not exceed the following:

a. 84 inches for a fiberboard pallet box and its contents (sacks or parcels) on a pallet.

b. 77 inches for packages, bundles, parcels, or sacks on pallets.

c. 12 layers of MM or EMM trays.

5.6 Nonconforming Mailers

For nonconforming mailers (see 1.6) the combined height of a pallet and its load must not exceed 77 inches for sacks, packages, bundles, parcels, and full-size fiberboard pallet boxes; or five layers of EMM trays; or six layers of MM trays.

5.7 Mixed Rates

Regular rate and special rate mail may be placed on the same pallet, subject to the terms of the mailer's pallet authorization and the standards applicable to the rates claimed.

[Add new 6.0 as follows:]

6.0 ADDITIONAL STANDARDS FOR TRAYS (LETTER MAIL), PACKAGES, BUNDLES, AND SACKS ON PALLETS

6.1 Other Standards

Trays of letter mail, packages, bundles, and sacks must be prepared under the respective standards for the class of mail and rate claimed.

6.2 Trays—Second- and Third-Class Mail

Trays from automation rate mailings must not be placed on 5-digit pallets with trays from non-automation rate mailings.

6.3 Records—Second- and Third-Class Mail

When two or more mailings are placed together on pallets, the mailer must maintain records for each mailing as required by standard.

6.4 Packages, Bundles, and Sacks

Subject to the applicable standards, mailers must sack mail that is not prepared as packages or bundles on pallets. For second-class mail, mailers must separately sack packages of each second-class publication not palletized under M042 or excluded from palletization; however, packages of each publication and edition may be sacked together if adequate documentation is provided. Sacks (including sacks of packages not placed on pallets) containing packages remaining after all pallets are prepared may be presented with the palletized mail (on the same mailing statement) if segregated from the palletized portion of the mailing.

M042 Second-Class Mail

* * * * *

2.0 PACKAGES

[Amend 2.1 by adding a second sentence as follows:]

2.1 Standards

Package presort and labeling must meet the applicable general standards in M020 and M030, except as noted below. The palletized portion of a mailing may not include packages sorted to foreign destinations.

* * * * *

[Delete current 2.5.]

3.0 OPTIONAL BUNDLES

[Amend 3.1 by adding a second sentence as follows:]

3.1 Standards

Bundle presort and labeling must meet the applicable general standards in M020 and M030, except as noted below. The palletized portion of a mailing may not include bundles sorted to foreign destinations.

* * * * *

[Revise 3.3 as follows:]

3.3 Sortation

Sortation is in the same sequence as sacks.

* * * * *

[Delete current 3.5.]

[Add new 4.0 as follows; delete current 6.0 and redesignate current 4.0 and 5.0 as 5.0 and 6.0, respectively.]

4.0 PALLET PRESORT AND LABELING

Presort sequence and labeling:

- a. 5-digit (required for packages, bundles, sacks, and machinable parcels; optional for trays); use destination of packages, etc., for Line 1.
- b. 3-digit (optional); use L002, Column A, for Line 1.
- c. SCF (required); use L002, Column B, for Line 1.
- d. ADC (optional); use L101 for Line 1.
- e. SDC (required); use L201 for Line 1.

f. Working (optional), mixed SDC; use L201 for Line 1 based on ZIP Code of entry office (in "Destination ZIP Codes" column); (label to plant serving entry post office if authorized by processing and distribution manager).

[Revise the heading of redesignated 5.0 as follows:]

5.0 ADDITIONAL STANDARDS FOR PALLETS OF PACKAGES, BUNDLES, OR SACKS

[Delete redesignated 5.1, 5.3, and 5.5; renumber redesignated 5.2 and 5.4 as 5.1 and 5.2, respectively.]

* * * * *

[Amend renumbered 5.2 by deleting "optional city" in the first sentence as follows:]

5.2 Delivery Office Rates

When a 5-digit, 3-digit, or SCF pallet contains copies claimed at delivery office rates and copies claimed at other rates, the copies claimed at delivery office rates must be placed on the top of the pallet. These copies must be separated from the other copies. Any effective method (such as a slipsheet) may be used.

[Revise the heading of redesignated 6.0 as follows:]

6.0 PALLETS OF COPALLETTIZED FLAT-SIZE PUBLICATIONS

[Delete redesignated 6.3, 6.4, and 6.6; renumber redesignated 6.5 and 6.7 through 6.10 as 6.3 and 6.4 through 6.7, respectively.]

* * * * *

[Revise 6.2 as follows:]

6.2 Exclusion

The palletized portion of a mailing may not include packages or bundles sorted to foreign destinations.

* * * * *

M043 Third-Class Mail

* * * * *

[Revise the heading of 2.0 as follows:]

2.0 PACKAGES

[Amend 2.1 by adding a second sentence as follows:]

2.1 Standards

Package presort and labeling must meet the applicable general standards in M020 and M030, except as noted below. The palletized portion of a mailing may not include packages sorted to foreign destinations.

* * * * *

[Delete current 2.5.]

3.0 OPTIONAL BUNDLES

[Amend 3.1 by adding a second sentence as follows:]

3.1 Standards

Bundle presort and labeling must meet the applicable general standards in M020 and M030, except as noted below. The palletized portion of a mailing may not include bundles sorted to foreign destinations.

* * * * *

[Revise 3.3 as follows:]

3.3 Sortation

Sortation is the same sequence as sacks.

* * * * *

[Add new 4.0; delete current 9.0 and redesignate current 4.0 through 8.0 as 5.0 through 9.0, respectively.]

4.0 PALLET PRESORT AND LABELING**4.1 Pallets of Packages, Bundles, Sacks, or Trays**

Presort sequence and labeling:

- a. 5-digit (required for packages, bundles, and sacks; optional for trays); use destination of packages, etc., for Line 1.

- b. 3-digit (optional); use L002, Column A, for Line 1.

- c. SCF (required); use L002, Column B, for Line 1.

- d. ADC (optional); use L101 for Line 1 (deposit pallet at BMC serving 3-digit ZIP Code on Line 1 if DBMC rate claimed).

- e. Destination BMC (required); use L705 (or L708 if DBMC rate claimed) for Line 1 and show any required processing code right-justified on Line 2.

- f. Working (optional), mixed BMC; use L705 for Line 1 based on ZIP Code of entry office (in "Destination ZIP Codes" column) and show any required processing code right-justified on Line 2; (label to plant serving entry post office if authorized by processing and distribution manager).

4.2 Pallets of Machinable Parcels

Presort sequence and labeling:

- a. 5-digit (required); use destination of parcels for Line 1.

- b. ASF (allowed and required only if DBMC rate is claimed for mail deposited at ASF); use L708 for Line 1.

- c. Destination BMC (required); use L705 for Line 1 (or L708 if DBMC rate claimed) and show any required processing code right-justified on Line 2.

- d. Mixed BMC (optional); use L705 for Line 1 based on ZIP Code of entry office (in "destination ZIP Codes" column) and show any required processing code right-justified on Line 2.

4.3 Line 2

Line 2: 3C, processing category, and any processing code if required by 4.2.

[Revise the heading of redesignated 5.0 as follows:]

5.0 ADDITIONAL STANDARDS FOR PALLETS OF PACKAGES OR BUNDLES

[Delete redesignated 5.1, 5.3, and 5.6; renumber redesignated 5.2, 5.4, and 5.5 as 5.1, 5.2, and 5.3, respectively.]

* * * * *

[Amend 5.2 by deleting "optional city" in the first sentence as follows:]

5.2 DDU Rates

When a 5-digit, 3-digit, or SCF pallet contains pieces claimed at destination delivery unit (DDU) rates and pieces claimed at other rates, the pieces claimed at DDU rates must be placed on the top of the pallet. These pieces must be separated from the other pieces. Any effective method (such as a slipsheet) may be used.

* * * * *

[Revise the heading of redesignated 7.0 as follows:]

7.0 ADDITIONAL STANDARDS FOR PALLETS OF COPALLETIZED FLAT-SIZE MAILINGS

[Amend redesignated 7.1 by changing the references from "4.2 through 4.6" to "5.1 through 5.3."]

7.1 Standards

Copalletized flat-size mailings must meet the standards in 5.1 through 5.3 and those below.

* * * * *

[Delete redesignated 7.3, 7.4, and 7.9 and renumber 7.5 through 7.12 as 7.3 through 7.9, respectively.]

* * * * *

[Revise the heading of redesignated 8.0 as follows:]

8.0 ADDITIONAL STANDARDS FOR PALLETS OF MACHINABLE THIRD-CLASS PARCELS

[Delete redesignated 8.1, 8.2, 8.3, and 8.5; renumber 8.4 as 8.0. Amend 8.0 by changing the references in the first sentence from "7.2a through 7.2c" to "4.2a through 4.2c" and in the second sentence from "7.2b and 7.2c" to "4.2b and 4.2c" as follows:] Pieces may be eligible for the 3/5 presort rate if prepared under 4.2a through 4.2c. This eligibility includes pieces correctly presorted under 4.2b and 4.2c to the service area of the origin ASF/BMC.

* * * * *

[Revise the heading of redesignated 9.0 as follows:]

9.0 ADDITIONAL STANDARDS FOR PALLETS OF THIRD- AND FOURTH-CLASS MACHINABLE PARCELS

[Delete redesignated 9.1, 9.2, 9.3, and 9.6; renumber 9.4 through 9.8 as 9.1 through 9.4, respectively.]

[Amend 9.1 by changing the reference "8.3" to "4.2" as follows:]

9.1 Line 2

Line 2: 3C/4C MACH and any processing code if required by 4.2.

[Amend 9.2 by changing the references in the first sentence from "8.2a through 8.2c" to "4.2a through 4.2c" and in the second sentence from "8.2b and 8.2c" to "4.2b and 4.2c" as follows:]

9.2 3/5 Presort Rate

Pieces may be eligible for the 3/5 presort rate if prepared under 4.2a through 4.2c. This eligibility includes pieces correctly presorted under 4.2b and 4.2c to the service area of the origin ASF/BMC.

* * * * *

M044 Fourth-Class Mail

* * * * *

[Revise the heading of 2.0 as follows:]

2.0 PACKAGES

[Amend 2.1 by adding a second sentence as follows:]

2.1 Standards

Package presort and labeling must meet the applicable general standards in M020 and M030, except as noted below. The palletized portion of a mailing may not include packages sorted to foreign destinations.

* * * * *

[Delete current 2.4.]

[Add new 3.0; delete current 5.0; redesignate current 3.0 and 4.0 as 4.0 and 5.0, respectively.]

3.0 PALLET PRESORT AND LABELING

3.1 Pallets of Packages, Bundles, or Sacks

Presort sequence and labeling:

a. 5-digit (required); use destination of packages, etc., for Line 1.

b. 3-digit (optional); use L002,

Column A, for Line 1.

c. SCF (required); use L002, Column B, for Line 1.

d. ADC (optional); use L101 for Line 1 (deposit pallet at BMC serving 3-digit ZIP Code on Line 1 if DBMC rate claimed).

e. Destination BMC (optional); use L705 (or L708 if DBMC rate claimed) for Line 1 and show any required processing code right-justified on Line 2.

f. Working (optional), mixed BMC; use L705 for Line 1 based on ZIP Code of entry office (in "Destination ZIP Codes" column) and show any required processing code right-justified on Line 2; (label to plant serving entry post

office if authorized by processing and distribution manager).

3.2 Pallets of Machinable Parcels

Presort sequence and labeling:

a. 5-digit (required); use destination of parcels for Line 1.

b. ASF (allowed and required only if DBMC rate is claimed for mail deposited at ASF); use L708 for Line 1.

c. Destination BMC (required); use L705 for Line 1 (or L708 if DBMC rate claimed) and show any required processing code right-justified on Line 2.

d. Mixed BMC (optional); use L705 for Line 1 based on ZIP Code of entry office (in "Destination ZIP Codes" column) and show any required processing code right-justified on Line 2.

3.3 Pallets of Special Fourth-Class Presort

a. 5-digit (Level A only; required); use destination of pieces or packages for Line 1.

b. Destination BMC (Level B only; required); use L705 for Line 1 and show any required processing code right-justified on Line 2.

3.4 Line 2

Line 2: 4C, processing category, and any processing code if required by 3.1 through 3.3.

[Revise the heading of redesignated 4.0 as follows:]

4.0 ADDITIONAL STANDARDS FOR PALLETS OF PACKAGES

[Delete redesignated 4.1, 4.2, and 4.4; renumber 4.3 and 4.5 as 4.1 and 4.2, respectively.]

* * * * *

[Revise the heading of redesignated 5.0 as follows:]

5.0 ADDITIONAL STANDARDS FOR PALLETS OF MACHINABLE PARCELS

[Delete redesignated 5.1, 5.2, and 5.3; renumber 5.4 through 5.6 as 5.1 through 5.3, respectively.]

* * * * *

M048 Automation-Compatible Flats

* * * * *

2.0 PACKAGE AND PALLET PREPARATION

[Revise 2.1 as follows:]

2.1 Packages

Packages to be presented on pallets must be prepared and presorted under the general standards in M020 and M030 and those applicable to the class and rate claimed.

[Revise 2.2 as follows:]

2.2 Pallets

Pallets must be prepared under the general standards in M041.

* * * * *

An appropriate amendment to 39 CFR 111.3 to reflect these changes will be published if the proposal is adopted.

Stanley F. Mires,

Chief Counsel, Legislative.

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